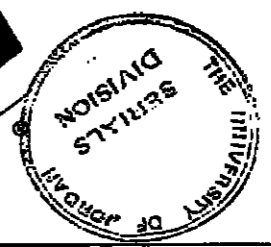


هكذا من الأصل

INTERNATIONAL Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST



Paris, Wednesday, November 24, 1993

No. 34,443

With a Fight, EC Approves Modest Curbs To Workweek

But British Opposition To 48-Hour Limit Bodes Ill for the 4-Day System
By Tom Buckle
BRUSSELS — At a time when many Europeans argue that a four-day workweek could solve their unemployment crisis...



Kevin Lanzetta/Reuters

Britain Cuts Interest Rates to 16-Year Low

Traders in sterling futures during a hectic Tuesday on the London Financial Futures and Options Exchange, after the Bank of England pushed interest rates down to 5.5 percent, the lowest in 16 years...

U.S. Seeks to Mend Fences With Europe

By Steven A. Holmes
WASHINGTON — After weeks of pointedly declaring that the United States would increase its attention to the fast growing markets of Asia and Latin America, the Clinton administration is trying to mend fences with Europe...

Clinton Links Deal With North Korea To A-Plant Opening

He Says U.S. Is Prepared to Resolve All Differences if Pyongyang Agrees
Compiled by Our Staff From Dispatches
WASHINGTON — President Bill Clinton said Tuesday that the United States was ready to resolve its differences with North Korea...

Airline Industry Expecting More Labor Trouble

By Adam Bryant
NEW YORK — The walkout by flight attendants at American Airlines has ended for now, but industry experts say that further labor turmoil is likely in the coming year...

Victory Base, Somalia: Mission Canceled

By Rick Atkinson
MOGADISHU, Somalia — The 71-ton behemoth dubbed Crazy Horse may be the meanest machine in East Africa.

Italy's Crumbling Center: On Path to Instability?

By William Drozdzak
ROME — Italy's political revolution appears to be accelerating toward a new phase of instability as the mainstream parties that have governed the country for four decades now teeter on the brink of extinction.

African Mutilation Ritual Collides With French Law

By Marlise Simons
PARIS — As she rose in a Paris courtroom, a small figure in a black lawyer's robe, Linda Well-Curiel talked so softly that the judge and the jury had to lean forward to hear her argument.

Klosk Palestinian Cites Gains On Key Issue in Talks

CAIRO (NYT) — Israeli and Palestinian negotiators made gains Tuesday on one of the major obstacles to activating their peace deal when they returned to the bargaining table in secret, the chief Palestinian negotiator said.



Lon Schuch/Reuters

COLD'S TOLL IS 34 — A Berliner pushing his bicycle near the Brandenburg Gate on Tuesday. Cold in Europe killed at least 34 people, many of them homeless. Page 5.

Table with market data including Dow Jones (Up 3.52 to 3,674.17), Trib Index (Down 0.09% to 107.85), and Dollar exchange rates.

Cloaks (Ragged) and Daggers (Dulled) Still on Russian Scene

By Celestine Bohlen
New York Times Service

MOSCOW — On a muggy July night when the power struggle in Moscow was at a low simmer, a 30-year-old Russian lawyer was secretly smuggled into the country from self-imposed exile in Canada, on a special mission for President Boris N. Yeltsin. He was installed behind a computer in a large, shabby suite inside the Kremlin and ordered to sift through suitcases of documents for incriminating evidence against Mr. Yeltsin's powerful enemies.

But these enemies, including the just-dismissed head of the Security Ministry and the country's chief prosecutor, managed to track the lawyer down and even issue an order for his arrest. After a panicked journey that began at a Moscow railway station and ended in Armenia, the young lawyer made his way back to Canada, where the threats against him continued.

"It was made for the movies, but even Hollywood couldn't have invented it," said Mr. Topol, whose 11 novels have all dealt with Russia. It was only when he came to Moscow himself in September and began double-checking Mr. Yakubovsky's account that Mr. Topol realized that Russia's penchant for cloak-and-dagger intrigue did not end with the Cold War.

But post-Communist intrigues turned out to have a distinctly amateurish quality, with none of the air-tight efficiency of the KGB operations of old. On the night he fled Moscow, according to his account of it, Mr. Yakubovsky and his entourage drove through the city's darkened streets in two cars, dodging pursuers, real or imagined, while Kremlin security men tried desperately, and unsuccessfully, to raise someone from Mr. Yeltsin's staff on the radio-telephone.

Mr. Yeltsin's key opponents — the vice president, Alexander V. Rutskoi; the parliament speaker, Ruslan I. Khasbulatov, and the prosecutor-general, Valentin Stepankov.

"The fact is that Rutskoi, Stepankov and Khasbulatov were waging a powerful campaign to discredit the president," said Mr. Yakubovsky, who reportedly spoke to Mr. Yeltsin by phone. "We had to bury them and prove that it was not he, but they, who were corrupt."

Mr. Yakubovsky's search was at least partly successful. Within days of his arrival in Moscow, the Russian security

services pieces came out. Last summer, the Russian press was full of stories about the mysterious wheeler-dealer who had somehow managed to insinuate himself into the middle of the political scandals sweeping Moscow.

Mr. Rutskoi fired the opening shot in the war in April when he went before the Russian parliament with what he said was 11 suitcases full of evidence of corruption in the Yeltsin administration. Then came an extraordinary series of revelations, based on published transcripts of conversations in which top figures in the anti-Yeltsin camp could be heard plotting to cover up evidence of their own corrupt activity, up to and including purported threats of murder.

But what was most startling about the multiple of corruption charges was how Mr. Yakubovsky managed to figure in just about all of them. His was the other voice in the taped telephone conversations that were to prove so damaging against General Baranikov, and Mr. Stepankov.

He was the obvious source of bank documents that purported to link Mr. Rutskoi with a kickback scheme, and of credit card receipts that implicated General Baranikov's wife in a shopping spree in Switzerland. His name also came up in connection with shady business dealings involving a key Yeltsin ally, Vladimir Shumeyko, who had briefly been Mr. Yakubovsky's boss.

In his brief career, Mr. Yakubovsky managed to befriend a remarkable number of influential people. Admirers, trying to identify the reasons for his meteoric rise, have dubbed him a financial and an administrative genius. Detractors, of which there are many, call him a master manipulator, a brash, even crude young man who figured out early how to ingratiate himself with the right people.

His own story of his spectacular leap from a post as lowly secretary at the Union of Lawyers to head of a special commission for the Ministry of Defense is vintage Yakubovsky. As told to Mr. Topol, Mr. Yakubovsky says he was sitting in his office one Saturday in 1990, idly dialing on a special Kremlin telephone when he reached Defense Minister Dmitri T. Yazov. Within hours, he was in Mr. Yazov's office with a written proposal that argued for a vigorous legal defense of the then-Soviet army's rights to its vast real estate holdings in Germany.

By the day's end, Mr. Yakubovsky was appointed head of a special commission charged with investigating the issue. The subject, however, turned out to be highly sensitive, and in due course Mr. Yakubovsky found himself in Switzerland as the representative of Agrokhim, a state trading company. Agrokhim, soon formed commercial links with Seaboard, the Swiss-based trading empire headed by Boris Birshstein, a Soviet émigré whose sudden success in business in the mid-1980s has been reported to have been financed by Communist Party money.

Resuscitating old ties to a top Yeltsin adviser, Mr. Yakubovsky returned to Moscow shortly after the failed August 1991 coup attempt against Mikhail S. Gorbachev, the last Soviet leader. In the year before he left the country in September 1992, Mr. Yakubovsky bounced from job to job, finally ending up briefly as liaison to Russia's various law enforcement ministries.

People who know him say that Mr. Yakubovsky is not a political man, but someone who knows how to take advantage of every opportunity as it arises. Until Mr. Yakubovsky returns to Russia, which he is now free to do, it will not be clear who has taken more advantage of whom.

'It was made for the movies, but even Hollywood couldn't have invented it.'

minister, Colonel General Viktor P. Baranikov, was dismissed, and according to the Izvestia article, Mr. Yakubovsky produced evidence showing that Mr. Khasbulatov had used his influence to help certain commercial companies get access to hard currency.

Two months later, Mr. Yeltsin was to quash his opposition, not with Mr. Yakubovsky's ammunition, but with army tanks. Now, with Mr. Yeltsin firmly in control, Mr. Yakubovsky's evidence against the opposition is no longer relevant, or even useful.

But his story, as told by Mr. Topol and Mr. Grant, is still a page-turning read, and the Nov. 3 and Nov. 4 issues of Izvestia sold briskly. Most Russian readers were familiar with Mr. Yakubovsky's name before the

Bonn to Use \$11.7 Billion in Bonds To Settle Property Seizures in East

BONN — Chancellor Helmut Kohl's coalition agreed Tuesday to use government bonds to compensate people from Eastern Germany whose property was seized by the Nazis or the Communists.

The agreement by leaders of Mr. Kohl's three-party coalition ended months of wrangling in Bonn over how to compensate people for seized homes, lands and belongings without further swelling Bonn's budget deficit from German reunification.

between reclaiming property or taking a compensation payment. The terms of a 1990 agreement in which the former Allies permitted the reunification of Germany bars Bonn from returning property expropriated during the period of Soviet administration, from 1945 to 1949. This means only compensation payments can be given.

Relax on the way to the city that never sleeps.

Singapore Airlines' exclusive MEGATOP 747s fly daily non-stop from Europe to New York. Our 4 flights from Frankfurt and 3 flights from Amsterdam arrive before any other airline and in good time for lunch. And on the way you'll enjoy inflight service even other airlines talk about. **SINGAPORE AIRLINES**

Five neo-Nazis stand trial in a juvenile court on Tuesday on charges of firebombing a hostel for foreign asylum-seekers near Potsdam in East Germany, Reuters reported.

The defendants, aged 19 to 22, were accused of throwing gasoline bombs at the house in October 1992. The firebombs missed their target and nobody was injured. Extremist violence by the right has killed about 30 people since Germany was reunited in 1990.

A British Harrier Crashes in Iraq, But Pilot Is Safe

LONDON — A British Air Force Harrier jump jet crashed in northern Iraq Tuesday, the Ministry of Defense said.

A spokesman at the ministry said that the crash was caused by mechanical failure and that the pilot ejected safely. The pilot was picked up less than 100 miles (160 kilometers) from the Turkish border in the Kurdish region of northern Iraq, by an American search and rescue aircraft.

The spokesman said he did not know what type of American rescue craft was involved. But, he said, "we're very grateful they did" rescue the British pilot.



A CANDLE FOR ST. GEORGE — Edward A. Shevardnadze, Georgia's beleaguered president, in a Thiblisti Orthodox cathedral on Tuesday as Georgians marked the St. George's Day holiday.

AIRLINES: Industry Expects More Labor Trouble Despite Settlement

Continued from Page 1
ates for travelers, consumers can be comforted by the likelihood that the industry's turmoil will lead to lower fares.

With the night before the strike began. Wages and work rules are but one way that American and others are trying to cut costs as they conduct the most sweeping overhaul of the industry since it was deregulated 15 years ago.

Besides selling divisions and laying off workers, they are grounding planes, pulling out of unprofitable cities and trying to restructure their businesses to better compete on shorter routes, where travelers want low fares and frequent flights.

Harvey's New York Bar
EST. 1911 - PARIS
THE OLDEST COCKTAIL BAR IN EUROPE
On this, OUR BIRTHDAY, we wish a HAPPY THANKSGIVING TO U
5, rue Daunou, Paris 10:30 a.m./4 a.m.

"If airlines like our own are to be profitable, we must find a way to bring our costs closer to those of the low-cost carriers who are establishing airline prices," Mr. Crandall said Dec. 17, the night before the strike began.

Switzerland and Calite can offer low fares because each plane spends so much time in the air, typically flying back and forth between two cities throughout the day, with little downtime.

WORLD BRIEFS

Israeli Confirms Revenge Killings

JERUSALEM (WP) — A former Israeli intelligence official has confirmed publicly that Israel carried out the methodical assassinations of 10 to 15 leaders of the Black September guerrilla group of the PLO following the 1972 Munich massacre of Israeli athletes.

"There was a conscious and systematic effort to eliminate the heads of Black September," Ahron Yariv, a former head of military intelligence, told Israeli television. He was named counterterrorism adviser to Prime Minister Golda Meir after the Munich killings.

Details of the assassinations have been published abroad in recent years, but Mr. Yariv's comments marked the first time the operation has been acknowledged openly by a senior Israeli official here. He discussed the operation a year ago in an interview with Israeli state television, which was preparing a documentary on the 20th anniversary of the Munich massacre, but his remarks were considered so sensitive that the Israeli military censor deleted them from that report. The deleted comments were only aired on Monday night because a forthcoming BBC television broadcast includes similar material.

1,000 to Monitor Russian Election

MOSCOW (Reuters) — At least 1,000 international observers will monitor Russia's first post-Soviet elections next month, the Itar-Tass news agency quoted a senior electoral commission official as saying on Tuesday.

The official, Andrei Davidov, the head of the Central Electoral Commission's international department, said more than 100 had already arrived in Moscow. Others will arrive several days ahead of the parliamentary voting and constitutional referendum, scheduled for Dec. 12.

"We will offer them full freedom of movement throughout the country and access to any information concerning elections," Mr. Davidov said. President Boris N. Yeltsin ordered the voting after he dissolved the old Soviet-era legislature on Sept. 21, accusing it of hampering his economic and political reforms.

Nigerian Nods to Democracy Forces

LAGOS (AP) — Nigeria's new president on Tuesday named the man who apparently won the vice presidency in the nation's June presidential election as foreign minister, a stunning concession to pro-democracy forces.

Baba Gana Kingibe, a career diplomat who was the running mate of Moshood K. O. Abiola, who apparently won the presidency on the June ballot, was named external affairs minister.

The new Nigerian leader, General Sani Abacha, also named a radical lawyer as his attorney general and the publisher of a respected independent newspaper as his internal affairs minister. The rest of his 11-man ruling junta were generals or police officials.

Kashmir Rebel Toll Is Put at 967

NEW DELHI (AFP) — Indian Army and paramilitary troops killed 967 Muslim militants in the last 10 months in Kashmir, where the separatists are battling for self-rule, a government spokesman said Tuesday.

The spokesman for the federally administered northern Indian state said 838 Muslim separatists were killed in the Muslim-dominated Kashmir Valley itself.

At least 109 militants were shot at the line that separates the two zones of the divided state in the foothills of the Himalayas, he said. A total of 648 civilians and 152 Indian soldiers died as of Oct. 31.

Belgium Faces Disruption by Strikes

BRUSSELS (AP) — Strikes on Wednesday and Friday will bring widespread disruption of airlines, train, bus and subway services in Brussels and other cities, union officials warned Tuesday.

The stoppage on Wednesday will affect six of Belgium's nine provinces, while Friday's will bring cause a nationwide halt in work, officials said. Officials of Sabena airline said they hoped to keep flights running, but said delays could be expected. Industry, banks, mail and phone services will also be hit by the stoppage, according to officials from the General Federation of Belgian Labor and the Confederation of Christian Unions.

They called the action to protest government austerity plans. Together, the unions represent more than 2 million workers.

A famous Bucharest hotel, the Athinae Palace, riddled with bullets and damaged by fire four years ago, is to be refurbished and managed by the Hilton group. The hotel, built from 1912 to 1914, is a landmark in the Romanian capital. It was a favorite haunt for artists, writers, royalty and diplomats before World War II. Hilton is to sign a contract with the partners who run it under a Romanian-French joint venture set up in December last year.

South African doctors treated hundreds of typhoid victims Tuesday in a suspected epidemic. At least 21 cases have been confirmed, but officials believe the number will rise dramatically as more test results come in. The outbreak occurred in a black township near Delmas, about 60 kilometers (36 miles) east of Johannesburg.

Taiwan will waive visas for selected visitors from 12 countries for up to five days. The measure, effective Jan. 1, will apply to travelers from Austria, Australia, Belgium, Britain, Canada, France, Germany, Japan, Luxembourg, Netherlands, New Zealand and the United States.

A union representing flight attendants for Air Inter has called a 24-hour strike for Wednesday, but the French domestic airline said it did not expect any disruption of services. Air Inter said it would use chartered planes and crews to insure normal service.

American Flights Return to Normal

FORT WORTH, Texas — American Airlines reported a rapid return toward normal service on Tuesday after settlement of a strike by flight attendants.

"Things are running smoothly systemwide," a spokesman said. "Flight attendants are reporting to work, and we are working toward our goal of operating 70 percent of the schedule today."

Wednesday, the eve of Thanksgiving, is probably the industry's busiest travel day of the year.

The airline and the 21,000-member Association of Professional Flight Attendants agreed Monday to submit their long contract dispute to binding arbitration.

It was a victory for the flight attendants, who previously agreed to binding arbitration and sought the appointment of a special presidential panel to mediate the dispute over pay, work rules and other issues.

But United has angered pilots with its plans for low-cost spinoffs.

OVERHEARD

Martha rushed in to break Herbert of his old ways.

With MCI CALL USA and MCI WORLD REACH services, reaching around the world has never been easier.

To reach around the world, use your MCI Card or call collect. Just select the number next to the country you're calling from. An English-speaking operator will put your call through to anywhere in the 50 States as well as a growing list of participating World Reach countries.

Austria	022-905-012	Ecuador	170	Italy	172-1022	Saudi Arabia	1-800-11
Belgium	078-11-00-12	Egypt	355-5770	Kenya	080011	Slovak Rep.	00-42-00012
Bolivia	0-800-2222	Finland	9800-102-80	Kuwait	800-MCI (800-624)	Spain	90-99-006
Brazil	000-8012	France	19-00-19	Lebanon	425-036	Sweden	020-795-922
Chile	00-0316	Germany	0150-002	Mexico	95-800-674-7000	Switzerland	155-0222
Colombia	980-16-0001	Greece	00-800-1211	Netherlands	06-072-91-22	Turkey	99-800-117
Costa Rica	080-90000	Hungary	00-800-0411	Norway	050-12912	UAE	800-11
Czech Rep.	00-62-00017	India	000-17	Peru	001-190	United Kingdom	0800-89-0222
Denmark	8001-0022	Ireland	1-800-551-001	Poland	071-04-800-722	Uruguay	090-412
Dominican Republic	1-800-751-9624	Israel	171-150-7272	Portugal	05-017-1234	Venezuela	800-184-0

*Countries to which calling may not be available to or from all MCI CALL USA locations. Certain restrictions apply. **For second call there is a charge. ***Available from most major offices. When dialing outside of Canada dial 01 first. When dialing outside of U.S., the access number is 150. Limited availability. Collect calls to U.S. only. In some countries, public phones may require deposit of coin or phone card for use. †Service from public telephones may be limited. Rate depends on call length in minutes. ‡Service available on a limited basis in Eastern Germany. © MCI Telecommunications Inc., 1993. MCI is a logo and all other MCI products and services mentioned herein are proprietary marks of MCI Telecommunications Corporation.

STATESIDE / AGENT ORANGE REVISITED?

In Medical Dispute, It's Gulf War Veterans vs. the Pentagon

By Philip J. Hilts
New York Times Service

WASHINGTON — It began in Indiana early in 1992, when soldiers at two reserve units that had fought in the Gulf War began to suffer a puzzling array of symptoms.

They became unusually fatigued, their joints ached, and they experienced headaches, hair loss, rashes and memory lapses. In some cases, the symptoms were severe enough to require hospitalization.

Over the next year, hundreds and then thousands of veterans began showing up at hospitals run by the Department of Veterans Affairs with these and a wide array of other symptoms.

Eventually, 10,000 veterans asked the hospitals for physical examinations to see if they had what has come to be called Gulf War syndrome.

This sequence of events has occurred many times in recent years: first there are complaints of severe but undiagnosable symptoms; then the sufferers hear about others experiencing the same symptoms and begin to trade information; then there

is the naming of a possible new disease, and finally a plea for investigation of the symptom clusters.

Experts say that such problems begin with real suffering that is often dismissed as psychosomatic. Among many complaints of this sort, the ones closest to acquiring status as recognized diseases are "sick building syndrome" and "multiple chemical sensitivity."

With Gulf War syndrome, as with many such outbreaks, even when the claims are taken seriously, they are difficult to deal with because no one can do much for the sufferers, says Dr. Claudia Miller, an expert on multiple chemical sensitivity who served on a Veterans Affairs panel that looked into Gulf War syndrome.

The response from the Department of Defense has been skeptical.

"First of all, we do not believe it is a syndrome," said Lieutenant Colonel Douglas Hart, a Pentagon spokesman. "It is just some symptoms that we don't have an explanation for."

That attitude has only fanned the anger of those who believe there is indeed a group

of symptoms identifying a common condition, in short, a syndrome.

Veterans were also angered last week by a report that the Department of Defense had withheld information on chemical agents detected during the war.

For two years, the Pentagon had denied having any evidence that Iraq had used chemical or biological agents, but last week it acknowledged the validity of work by Czech chemical-weapons experts in the week after the air war started in January 1991. They found that there were traces of nerve gas and a blister agent in the Gulf region.

The quantities of both were small, suggesting that something like a bombed plant rather than a deliberate release was the source. The doses would have been too minute to cause any serious illness, another Pentagon spokesman said.

Veterans say the government's denials remind them of similar statements about the effects of Agent Orange, the military's name for a defoliant used in Southeast Asia during the Vietnam War.

Although researchers believe that

toxic effects of oil fires and other ailments specific to the Gulf region.

But the array of symptoms that Dr. Mather soon began seeing did not seem to be related to smoke inhalation, nor were they among the symptoms that might be expected after exposure to chemical weapons.

In a first attempt to collect data to determine whether the syndrome is real, the Department of Veterans Affairs surveyed 5,300 Gulf War veterans and 5,300 veterans who had served during the same period but had not been assigned to the Gulf.

The survey, which is continuing, found that equal numbers in the two groups suffered several conditions and diseases, including ones affecting the respiratory system.

The only two exceptions were found in areas where differences would be expected in combat and noncombat troops: twice as many Gulf veterans showed signs of post-traumatic stress, and about 15 percent more Gulf veterans showed signs of alcohol dependence, a common finding in returning troops.

"Anyone watching the oil fire in Kuwait had to wonder what kind of problems that would cause," said Dr. Susan Mather, assistant chief of health for the veterans department. In early 1991, while the war was still going on, she began researching the

POLITICAL NOTES

Republican Says Aide in New Jersey Lied

TRENTON, New Jersey — Mary Matalin, a Republican strategist, said another political consultant, Edward J. Rollins, lied under oath when he claimed he never told her about paying to suppress black votes in the recent New Jersey gubernatorial election. The Philadelphia Inquirer reported.

Mr. Rollins, who managed the campaign of Christine Todd Whitman, a Republican who scored a narrow victory in the election Nov. 2, testified last week that he did not discuss it with Miss Matalin.

Miss Matalin, who was a manager of former President George Bush's losing campaign against Bill Clinton last year, said Mr. Rollins bragged to her four days after the New Jersey election that he had paid to keep black voters from the polls.

"What he was basically talking about was how good a street game they played and how they paid off black ministers," Miss Matalin told the Inquirer. "It was quite braggadocio. He was quite full of himself."

Mr. Rollins caused an uproar Nov. 9 when he said that Republicans paid black ministers and Democratic workers to help keep black voters from the polls.

But on Friday he testified before Democratic lawyers that he made up the story to torment a rival political strategist, James Carville, who managed Governor Jim Florio's losing campaign.

Asked at the deposition whether he had discussed paying Democratic workers with Miss Matalin, who is Mr. Carville's fiancée, Mr. Rollins said, "I promise you, I did not."

A retired columnist, Rowland Evans Jr., also told the Inquirer that Mr. Rollins had told him about influencing black ministers.

Mr. Rollins's original claim prompted federal and state investigations as well as a lawsuit by Democrats who are seeking to overturn the election, which Mrs. Whitman won by 26,600 votes. (AP)

Clinton to Stick With Defense-Post Nominee

WASHINGTON — Mr. Clinton will resubmit the nomination of Morton H. Halperin to a top Pentagon position.

"The president believes he should have the job," said the White House communications director, Mark Gearan.

Mr. Gearan said there was nothing at Mr. Halperin's confirmation hearing to suggest that another nominee should be proposed.

Conservative Republicans complain that Mr. Halperin is too liberal to be assistant secretary of defense for democracy and peacekeeping, a new post. Mr. Halperin said allegations about his beliefs and activities were false. (AP)

U.S. Again Funds Foreign Family Planning

WASHINGTON — The Clinton administration has given \$13.2 million to the International Planned Parenthood Federation, ending a decade-long, Republican-ordered ban on using U.S. funds for overseas population programs that include information or counseling on abortion.

The grant is the first part of a five-year, \$75 million commitment by the Agency for International Development to the federation, which effectively had been barred from access to U.S. foreign aid funds since 1984. (WP)

Quote/Unquote

"G-O-V-E-R-N-E-R-S," was how the seal at the meeting in Phoenix, Arizona, of the Republican Governors Association spelled it until someone spotted the error. (WP)

Away From Politics

- Health plans accused of discriminating against employees with AIDS have suffered a legal defeat. A federal judge in New York issued the first ruling to uphold the authority of the Americans With Disabilities Act of 1990 over health plans accused of discriminating. Judge John E. Sprizzo dismissed a motion by a benefits fund of New York construction companies and unions, which contended it was exempt from the act.
- Some Los Angeles police officers called in sick, apparently acting in response to union strategy for getting a raise. A small but higher-than-usual number reported sick. In anticipation, the department called a modified tactical alert, keeping officers working the night shift on duty until further notice.
- An Amtrak train derailed near Boise, Idaho, injuring 15 people, none seriously. The police said the engines and front cars on the Seattle-to-Chicago train derailed as it hit a curve. (NYT, LAT, AP)

A Congressional Report Card: Progress, Mixed With Rancor

By Adam Clymer
New York Times Service

WASHINGTON — The 103d Congress approached the end of a strikingly productive first session on Tuesday, but it did so on a note of personal and partisan ill-will that made it clear that gridlock had not been vanquished.

Although many bills that former President George Bush had vetoed became law with the signature and backing of President Bill Clinton, party divisions were raw and obvious during the budget battle last summer and clear again Tuesday as Democrats sought to trap the Republicans into blocking a popular gun-control measure, or giving up ignominiously.

Despite those divisions, Congress during this session passed a half-trillion-dollar deficit cut and approved a treaty to end trade barriers with Canada and Mexico.

It enacted one significant domestic initiative of Mr. Clinton's vision of new Democratic policy, the national service bill, and started on others, like preparing youths for the work force.

Finally, it began to grapple seriously with the gravest domestic problem it has tried to solve since civil rights — the high cost and diminishing availability of medical care.

Early in the session, the new president relied exclusively on Democrats — and sometimes they tripped him up over issues like whether to allow declared homosexuals to serve in the military.

Before he had a footing, a solid Republican opposition killed his package of spending measures meant to stimulate the economy, and his budget barely passed without a single Republican vote.

But as time went on, his liaison with Capitol Hill got better, and in the fall he worked increasingly with Republicans, when possible, relying on their votes to pass the North American Free Trade Agreement over Democratic opposition and coaxing them to help on health care.

Still, most senators and representatives headed home for Thanksgiving aware that the public gives neither them nor Mr. Clinton the credit they feel they deserve, and Tuesday's snappish denouement of a Senate session suggests much of the reason why.

In between interminable quorum calls and recesses, Senator Bob Dole of Kansas, the Republican leader, tied the Senate up short of final action on the gun-control measure, known as the Brady bill, that would impose a five-day waiting period for gun purchases.

He complained that Senator Joseph R. Biden Jr. of Delaware, a Democrat, "tried to rub our nose in it" by gleefully scrapping concessions that allowed Republicans to back the bill Saturday night.

And the phrase "Republican filibuster" slipped readily from Democrats' lips as they sought to portray the minority as the friend of irresponsible gun owners.

The majority leader, Senator George J. Mitchell of Maine, said he was calling the Senate back into session for a full-vote on the Brady bill next Tuesday.

Still, some legislators were feeling pretty good about this year's work. An upbeat appraisal came from Senator Patty Murray of Washington, a freshman Democrat, who said that when the Senate acted on crime, the deficit, family leave and national service, "people

at home will say, 'This affects me.'"

"A Good Beginning"

The Associated Press reported from Washington.

Mr. Clinton described the first session as "a good beginning." Democratic leaders in Congress and White House strategists were viewing his successes as much more than just a start.

Already, Mr. Clinton's accomplishments are being compared to productive years for other presidents — Dwight D. Eisenhower in 1953, Lyndon B. Johnson in 1965, Ronald R. Reagan in 1981.

This is particularly extraordinary in that analysis not too long ago were writing off the Clinton legislative prowess.

"He has a batting average that puts him up with the heavy hitters of the century," said Bruce Buchanan, a political scientist at the University of Texas. "The results are beginning to speak more for themselves. He's able to cut deals in the traditional sense."

Why has Mr. Clinton not won more credit before now for his successes?

William Kristol, who was Vice President Dan Quayle's chief of staff, gives Mr. Clinton grudging respect for recent successes.

"He's a very smart politician who's been around," said Mr. Kristol, president of the conservative Project for a Republican Future.

By the same token, Mr. Kristol added: "The praise is now being overstated. He scraped through on the budget, and he put together a temporary coalition on NAFTA. But he has no stable governing coalition to support him."



President Clinton outside White House urging congressional passage of the Brady gun-control bill.

AMERICAN TOPICS

U.S. Says Impostors Took College Entrance Tests

Two South Korean men who are in the United States on student visas have been charged with hiring impostors to take exams on behalf of immigrants seeking admission to American colleges and universities.

Based in Manhattan, they charged \$4,000 to \$5,000 to send an impersonator to virtually any standardized test, according to Patricia E. Taylor, a lawyer for Educational Testing Service of Princeton, New Jersey, which administers most of the exams. The service said it hired a Korean-American investigator to pose as a student and gather information.

Evidence indicated that the pair's top price was \$40,000 to take the Certified Public Accountant's exam, postal authorities said.

The two, Jin Hyeng Park, 31, and

Wen Gi Jang, 27, were arraigned on federal charges of conspiracy to commit mail fraud, with a penalty of up to 5 years in prison and a \$10,000 fine, and released on \$75,000 bond each.

The Educational Testing Service, which gives 9 million tests a year in the United States and abroad, has been getting reports about cheating on the English exam for foreign students, a spokeswoman said. "Colleges have been complaining that they have been getting these wonderful scores from students who arrive and can barely speak English," she said.

About People

Senator Larry E. Craig, Republican of Idaho, got it with both barrels from Senator Dianne Feinstein when he remarked during a debate on banning semiautomatic weapons that "the lady from California needs to become a little bit more familiar with firearms." "I am quite familiar with firearms," Mrs. Feinstein, a Democrat, replied. "I became mayor [of San Francisco] as a product of assassination," and "put a finger through a bullet hole trying to get a pulse." Moreover, "I was trained in the shooting of a firearm when I had terrorist attacks, with a bomb at my

house, when my husband was dying, when I had windows shot out. Senator, I know something about what firearms can do."

Richard Z. Chesoff, a correspondent for U.S. News & World Report, had just finished interviewing Yasser Arafat at the Palestine Liberation Organization chairman's home in Tunis, Mr. Arafat invited him to stay for lunch. "I anticipated a great feast of Arab delicacies," Mr. Chesoff says. But the main course was chicken soup. Mr. Arafat said: "It's my favorite. I eat it every day." Mr. Chesoff recalls, "It was like eating with my grandmother."

Short Takes

Madame Tussaud's waxworks, after 200 years in London, may establish a branch in New York. The Tussauds Group announced that it "would like to establish a project in the Times Square redevelopment area." "Fabulous," said a spokeswoman for the redevelopment project. Tussauds operates not only an exhibition of celebrities in wax, but the Rock Circus in London, which celebrates the history of rock and pop music; the London Planetarium, and the Scenerama in Amsterdam depicting Holland's golden age, in the 17th century.

The names of some Southern California businesses rounded up by the Los Angeles Times:

- Vital Signs, a Ventura sign maker.
- Go for Baroque, a Westside musical-talent agency.
- Beauty and the Beach, a Venice hairdresser.
- Sherwood Florist, another flower shop, in Riverside. "There is no one here named Sherwood," admitted the co-owner, Jim Nunnally. But "for a short while, we wore green tunics and caps with feathers."

Arthur Higbee

Jackson Lawyer Cites Grand Jury Action

Compiled by Our Staff From Dispatches

SANTA MONICA, California — One of Michael Jackson's lawyers said in court Tuesday that he expected the entertainer to be charged with child molestation, but later retracted the statement.

Bert Fields, the lawyer, made the announcement during a court hearing on a civil suit filed by the 13-year-old boy who alleges Mr. Jackson sexually molested him.

"A grand jury convened already in Santa Barbara County and they are about to take evidence — if they haven't already started — and that means we should have a charging decision very, very soon," Mr. Fields said.

Immediately after the hearing, another of Jackson's lawyers, Howard Weitzman, said Mr. Fields had made a mistake and that he was not aware of any imminent indictment.

Mr. Weitzman said he had given Mr. Fields wrong information that led to the court statement.

Mr. Fields then told reporters: "What we understand to be the case is that subpoenas were issued for a witness or two witnesses to attend a grand jury in Santa Barbara County. That's something I don't think we want to talk about."

Mr. Fields raised the issue in his unsuccessful bid to have the court delay the boy's lawsuit for six years. The statute of limitations for prose-

cuting child molestation charges runs for six years.

The lawyer raised the issue to show that if Mr. Jackson were forced to testify in a civil suit it would affect criminal matters he may face.

"You shouldn't be in a position where you have to take a Fifth Amendment in a civil case," Mr. Fields said. "That's a box you shouldn't put a person in."

But Judge David M. Rothman of Superior Court ruled in favor of the youngster and ordered the trial for March 21. He also ordered Mr. Jackson to give a deposition by the end of this year.

Larry Feldman, an attorney for the 13-year-old in the civil case, said the law demands a speedy trial in a case involving a child under 14. If criminal charges are filed, he said, the court can later decide to delay the lawsuit.

Mr. Jackson has not been charged with any crimes, and the authorities have declined comment on their investigation.

There was no immediate confirmation by the prosecutor's office that a grand jury had been summoned. Grand jury proceedings are secret.

Mr. Jackson has disappeared from view. His press agents say he is undergoing medical treatment.

Meanwhile, court documents obtained in Los Angeles showed that Mr. Jackson had also been sued by five of his former bodyguards,

who claim they were dismissed in February because they had first-hand knowledge of the singer's alleged activities with young boys.

The lawsuit said the five were dismissed without warning at Mr. Jackson's Neverland ranch in Santa Barbara, California, "so as to prevent any of them as disgruntled employees" in any future investigation.

Mr. Fields said he did not know about the new lawsuit.

"Nobody was ever fired by Mr. Jackson for knowing too much about anything," he said.

Mr. Jackson canceled a world tour Nov. 12 and went into seclusion to undergo treatment for addiction to painkilling drugs.

The bodyguards said in their lawsuit that after being fired they were harassed by Mr. Jackson's lawyers and followed by a private investigator to "prevent any investigation or inquiry dealing with allegations that Jackson had sexually molested young boys."

One of the plaintiffs said he was ordered to retrieve a photograph of a naked boy from a bathroom in Mr. Jackson's Encino, California, compound, where the performer's parents live. The former bodyguard did not say when the action took place.

The police searched the Encino compound earlier this month without revealing what they were looking for. (AP, AP)

U.S. Court Voids A Broadcast Ban

The Associated Press

WASHINGTON — A federal appeals court struck down an unconstitutional on Tuesday a government regulation banning indecent television programs from broadcast stations from 6 A.M. to midnight.

A panel of the U.S. Court of Appeals for the District of Columbia Circuit set aside a regulation adopted earlier this year by the Federal Communications Commission at the direction of Congress.

It also declared unconstitutional the provision of the 1992 law that required the FCC to issue the regulation. The regulation is so broad that it violates First Amendment protections of freedom of expression, the panel said.

The court upheld the FCC's argument that regulation was needed to help parents prevent children from viewing indecent programs. But it rejected as too expansive the stated goal of helping the general public to be free of indecent programming in the privacy of their homes.

New: ROMA

Van Cleef & Arpels

PARIS. GENEVE. BRUXELLES. CANNES. MONTE CARLO. MILANO. ROMA. BEVERLY HILLS. HONOLULU. NEW YORK. PALM BEACH. OSAKA. TOKYO. HONG KONG. SEOUL. SINGAPORE

A WEEK IN THE LIFE OF THE TRIB

Plus daily

Monday MONDAY SPORTS	Wednesday STAGE ENTERTAINMENT	Friday LEISURE	POLITICS AND ECONOMICS	THE ARTS AND SCIENCE	BOOKS AND TRAVEL	A LIVELY ARRAY OF COMICS
Tuesday STYLE	Thursday HEALTH/SCIENCE	Saturday-Sunday ART/ THE MONEY REPORT	BUSINESS AND FINANCE	FOOD AND FASHION	BRIDGE AND CHESS	
			OPINION AND COMMENTARY	FILM AND THEATER	THE NEW YORK TIMES CROSSWORD	PULITZER PRIZE WINNING FEATURE COLUMNISTS

Don't miss out. Make sure you get your copy of the IHT every day.

Herald Tribune

Catalonians Open A War of Words In Schools, No More Spanish

By Alan Riding
New York Times Service
SALOU, Spain — When classes resumed here on Sept. 15, young children attending the Santa Maria del Mar primary school brought home a disturbing bit of news for their Spanish-speaking parents. In the future, they would be taught only in the language of Catalonia.

Many parents were furious. This proud region of northeast Spain has long been promoting Catalan as a way of reinforcing its identity as a nation.

But until now, with Spanish-speakers accounting for about half its 6 million residents, bilingualism has been the norm in many schools.

The decision to expose children from the ages of 3 to 8 only to Catalan was therefore a significant step in the campaign to make Catalan the dominant language of the region.

Spanish-speaking parents in Salou, a resort 70 miles (110 kilometers) south of Barcelona, are leading the protests, but they have been joined by parents from elsewhere in Catalonia.

"We cannot allow Spanish to be suppressed when this is the official language of Spain, a language spoken by over 300 million people, a world language," said José Ignacio Alue, the committee's president.

Angela Diez-Barsch, a local mother, saw politics behind the change. "The regional government has a fixed idea that Catalonia should become a sovereign nation," she said.

"The regional government, known as the Generalitat, denies any separatist ambitions and notes that when democracy returned to Spain in 1978, Spanish and Catalan were recognized as co-official languages of this region. Now, it says, its only goal is to ensure that everyone is bilingual."

In practice, though, because the teaching of Catalan was banned during the long Franco dictatorship, the regional government has given priority to its use, not only in schools but also in the region's civil service and Parliament.

Last year, it even insisted that Catalan be recognized as an official language, along with English and French, at the Summer Olympic Games in Barcelona.

But while Catalans are clearly delighted by the renaissance of their Romance language, which is closely akin to Provençal, this traditionally prosperous region has long drawn immigrants from poorer parts of Spain.

And, as Catalan nationalism has grown in recent years, many Spanish-speakers have begun to feel victims of subtle discrimination.



TRUMPETING SPRING EARLY — Daffodil bulbs stocked at St. James's Park for planting in London. Sotheby's donated a million bulbs for the auction house's 250th anniversary next year.

Death Toll Hits 34 As Europe Shivers

PARIS — Record cold, blamed for at least 34 deaths, persisted Tuesday in parts of Europe, prompting the French Army to send out troops to feed the homeless in Paris.

Two platoons of French soldiers served hot meals to the homeless at two abandoned Métro stations that have been opened for shelter, at least until Monday, in an effort to prevent more exposure deaths.

A homeless man was found dead Tuesday under a bridge at Saint-Maur-des-Fossés, an eastern suburb of Paris. The police said he appeared to have frozen to death overnight.

A 75-year-old man died in a house fire at Clermont-Ferrand, in France's Massif Central. The fire was blamed on a gas heater that had been turned up to the maximum.

Other record lows for the month were reported in Germany, Britain and Romania. Heavy snowfalls caused flight delays and cancellations at several airports in Denmark on Tuesday.

In Germany, seven homeless men have frozen to death this winter, including three who fell asleep out of doors and died from the cold on Sunday.

Thais Won't Be Expelled, Libyan Says

BANGKOK — Libya's ambassador to Thailand said Tuesday his country had no plans to expel thousands of Thai workers, and he called for an improvement in relations between the two countries.

"The reports on the plight of Thai workers were the result of misunderstanding," Mohammed Ali Mohammed Haneish said after talks at the Foreign Ministry.

A Foreign Ministry spokesman said the ambassador had suggested that to prevent further misunderstandings, the two governments should consider the exchange of resident ambassadors.

Mr. Haneish is accredited as ambassador to Thailand, but lives in Kuala Lumpur, the capital of Malaysia, to which he is also accredited.

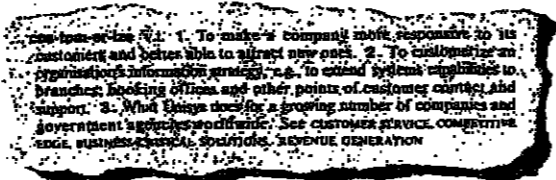
"It is possible to have a Libyan embassy here," a Thai Foreign Ministry spokesman said.

The Libyan leader, Colonel Moammar Gadhafi, threatened this month to expel 10,000 of the 25,000 Thai workers in his country because of alleged Thai acceptance of U.S. charges that 200 of them were involved in preparing sites for chemical-weapon plants.

If you can't make it to the end of the test, your company may not make it to the end of the decade.

This test poses tough questions about customer service. So does the real-world business environment. That's why Unisys is introducing an answer which can transform your customer service into a competitive advantage: CUSTOMERIZE.

When you CUSTOMERIZE, you put the customer at the heart of your world, rather than the periphery. By embedding customer service objectives within your information strategy, Unisys will help you extend the full capabilities of your enterprise to the points of customer contact — the points where business is won or lost. We'll help enhance your ability to receive information from your customers, and communicate information to them, creating an information flow which leads to bottom-line results. As customer service rises to a



higher level, so will your ability to make new customers, build your relationships with them, and generate revenue.

How to begin? The perfect starting place is our CUSTOMERIZESM assessment. Experienced Unisys business consultants will team with you to evaluate the information flow between you and your customers, identify any barriers to communication, and design technology solutions tied to achievable business goals. We'll commit

ARE YOU CUSTOMERIZED?

1. Do you have as many customers as you want? Yes No
Can a bottom line be too healthy? Of course not. And neither can a growth-oriented company have too many customers. They're the engine that generates revenue.
2. Are your customers as loyal as you want? Yes No
It's one thing to gain customers. It's another to keep them. The strength of your business depends largely upon your ability to sustain a relationship with customers.
3. Do you generate as much business from each customer as you want? Yes No
A critical component of business growth is increased sales content. To maximize each business opportunity, you need a way to leverage your entire organization — to bring it totally to bear at the point of customer contact.
4. Do you really know what your customers want? Yes No
Are you alert to every product your customers could use? Every service that might interest them? Every transaction they're prepared to make? Every sale they'd allow you to follow through? Are you thoroughly plugged into your market?
5. Does your entire organization know what your customers want? Yes No
A customer orientation has limited value unless it's embedded in the very heart of an enterprise — at all levels, and in every place that directly or indirectly involves the customer.
6. Is your information strategy focused on helping you hear what customers and markets are trying to tell you? Yes No
The next best thing to reading your customers' minds is listening to what they're saying. But unless you're constantly tuned in to customers' signals, you're missing messages that could guide you to greater results for your business.
7. Can your organization respond quickly to what customers and markets are telling you? Yes No
When the flow lines of your information system are not within your customers' reach, you won't always sense when opportunity knocks. But even if you do, getting the message is not enough. If you can't reply rapidly to market signals with information, products and services, revenue opportunities are lost.
8. Does your information strategy enable the proactive delivery of information to your customers? Yes No
Many business plans underestimate the power of information to build customer relationships. But imagine the advantage of an information technology strategy that transforms information into customer-generating, revenue-generating fact.
9. Are the full capabilities of your organization accessible to your customers at all your field locations? Yes No
An office, a branch, a retail site. To a customer, that's your company. One small part of the whole. Which is why you need to leverage your entire organization by extending its capabilities to each point of customer contact.
10. Does your information strategy reflect the bottom-line importance of customer service? Yes No
Business is built on customers. Without them, there is no bottom line. Government is also built on customers, the public. And whether you're in the business of commerce or the business of government, no objective of an information strategy is more fundamental than enhanced customer service.

The Bottom Line. If you answered No to any of these questions, you're not yet customerized. But you might well agree that this simple test suggests the enormous advantages of becoming customerized. And as the leader at customerizing business and government, Unisys will work with you to provide the answers you need.

to adopting a vendor-independent approach to the assignment. And we'll apply our industry-leading expertise at ensuring that an information strategy pays off, not merely shows off.

For more information, fax Graham Roberts on (44) 895 862807. Ask for our CUSTOMERIZESM assessment and discover how we can help your organization earn high marks in an increasingly customer-driven era.

UNISYS

We make it happen.

Hosokawa Is Linked To Suspect Donations

TOKYO — Prime Minister Morihiro Hosokawa, whose popularity with voters is based on a reputation for probity, received political donations of 19 million yen from the scandal-tainted Sagawa Kyubin trucking group, the Tokyo daily Asahi Shimbun said Tuesday.

A document submitted by Mr. Hosokawa to a parliament committee showed that the donations, equivalent to \$178,000, were made in 1990 and 1991 by 10 Sagawa Kyubin group companies, the newspaper said.

The document did not specify the names of the companies that gave the money to Mr. Hosokawa's two political groups, Shin Showa Study Association and Financial and Monetary Research Association. The opposition Liberal Democratic Party and Japan Communist Party are expected to press the prime minister to disclose the names.

Asahi said the Sagawa money was not mentioned in a political fund report submitted by Mr. Hosokawa to authorities because the donations were made little by little.

Under law, a political donation of less than 1.5 million yen need not be reported to authorities. The newspaper indicated that Mr. Hosokawa might not have violated the political fund control law because each donation from Sagawa was less than a million yen.

But suspicion remained that Mr. Hosokawa might have tried to conceal the fact that he had received Sagawa money, it said.

CLINTON: Offer to North Korea

Continued from Page 1
longer can be sure North Korea is not building a nuclear weapon.

Administration officials say the U.S. government intends to make clear to North Korea that if it permits even limited inspections, then a new set of high-level American-North Korea talks could address a broader range of issues, including the question of diplomatic recognition of the Pyongyang regime.

The administration is also ready to suspend — though not cancel outright — the U.S.-South Korean military exercise called Team Spirit scheduled for next year, officials said. The administration would continue planning for Team Spirit but only conduct the exercise if the North Korea talks collapse.

North Korea, whose economy is in deep difficulty, is mainly interested in American diplomatic recognition and winning access to Western trade and investment capital.

Selig Harrison, an Asia specialist at the Carnegie Endowment for International Peace, said Monday that it remained unclear whether the South Korean president would go along with the softened U.S. approach.

U.S. Missiles for Seoul
The United States plans to sell 317 air-to-air missiles to South Korea for \$169 million to help bolster that country's defense capability, Reuters reported Tuesday from Washington, quoting the Pentagon.

The transfer would include 190 Advanced Medium-Range Air-to-Air Missiles, which can be fired at targets from over 30 miles (45 kilometers) away with high accuracy, and 127 shorter-range Maverick air-to-air missiles.

Herald INTERNATIONAL Tribune

Merely a Start in Italy

This is not yet an Italy rebuilding its shattered politics; it is an Italy still groping through the rubble. Dismay is the wrong reaction to Sunday's local voting in that confused country. The Italians are not, as some people fear, henceforth condemned to a choice between a wild rift, an incoherent left and a bunch of potential northern breakaways...

China Lets Clinton Down

Braving criticism by human rights activists and their supporters in Congress, President Bill Clinton held out the hand of diplomatic compromise to China's president, Jiang Zemin, in Seattle last Friday. What he got in return was an unyielding lecture on China's hard-line positions. Nobody realistically expected China to announce dramatic changes in its human rights, arms sales and trading policies on the spot...

Back to Death Squads?

Central America is widely thought of as a region that moved in the 1980s, at immense cost, from civil war to democratic renewal. But this hopeful judgment is still far from being confirmed by events, and nowhere more so than in El Salvador. Fresh death squad assassinations have raised the specter of reversing the country's first gains...

Other Comment

Remarkable South Africans South Africa's negotiators have come up with an interim constitution meant to install democracy, protect minorities, abolish every vestige of apartheid, establish a unitary country and guarantee basic rights. The document is full of compromises. It is a balance between protection of minority rights and guards against paralysis...

Philippine Peace Hopes There is new hope of a peace settlement in the southern Philippines, where Muslim rebels have been seeking autonomy for more than two decades. The agreement between the government and the Moro National Liberation Front to set up committees to tackle the issue shows that both sides appear to want to settle it. The insurgency in the 1970s claimed more than 50,000 lives. Lawlessness has grown, threatening social breakdown and economic collapse...

In America, a Few Lives Saved It's morning in America, and Americans of both political stripes appear to have finally seen the light: More than any other country in the civilized world, the United States needs gun control. The most significant example of the changing climate is the Brady Bill...

Control. The most significant example of the changing climate is the Brady Bill. Gun control by itself cannot fix everything that ails America, but it will save a few lives. Right and left now agree on that much.

Control. The most significant example of the changing climate is the Brady Bill. Gun control by itself cannot fix everything that ails America, but it will save a few lives. Right and left now agree on that much.

Control. The most significant example of the changing climate is the Brady Bill. Gun control by itself cannot fix everything that ails America, but it will save a few lives. Right and left now agree on that much.

Control. The most significant example of the changing climate is the Brady Bill. Gun control by itself cannot fix everything that ails America, but it will save a few lives. Right and left now agree on that much.

Control. The most significant example of the changing climate is the Brady Bill. Gun control by itself cannot fix everything that ails America, but it will save a few lives. Right and left now agree on that much.

Control. The most significant example of the changing climate is the Brady Bill. Gun control by itself cannot fix everything that ails America, but it will save a few lives. Right and left now agree on that much.

Control. The most significant example of the changing climate is the Brady Bill. Gun control by itself cannot fix everything that ails America, but it will save a few lives. Right and left now agree on that much.

Control. The most significant example of the changing climate is the Brady Bill. Gun control by itself cannot fix everything that ails America, but it will save a few lives. Right and left now agree on that much.

Control. The most significant example of the changing climate is the Brady Bill. Gun control by itself cannot fix everything that ails America, but it will save a few lives. Right and left now agree on that much.

It's Time For Japan To Lead

By Gustav Ranis BERLIN — Japan has shown great reluctance to enter the international arena at any level commensurate with its economic power. Vivid memories of World War II plus MacArthur-imposed constitutional prohibitions prevented it from participating actively in military containment efforts during the Cold War. On international economic issues, Japan has been consistently hesitant, given its lack of experience and trained personnel, as well as, most importantly, the left need to focus rather exclusively on keeping critics of its trade surplus at bay...

Giving Beijing Every Chance to Clean Up Its Act

By A. M. Rosenthal NEW YORK — Sometime in June we and they will find out what Bill Clinton was able to accomplish in Seattle. Results on the economic agenda, the president's hopes for a great Asia-Pacific-American trade zone, will take a lot longer to judge — years. But by June we who live in freedom and they who live in prison cells for asking for freedom will find out whether the president will get action from Beijing on Washington's modest human rights proposals...

Don't Expect the Beijing Leadership to Mellow Soon

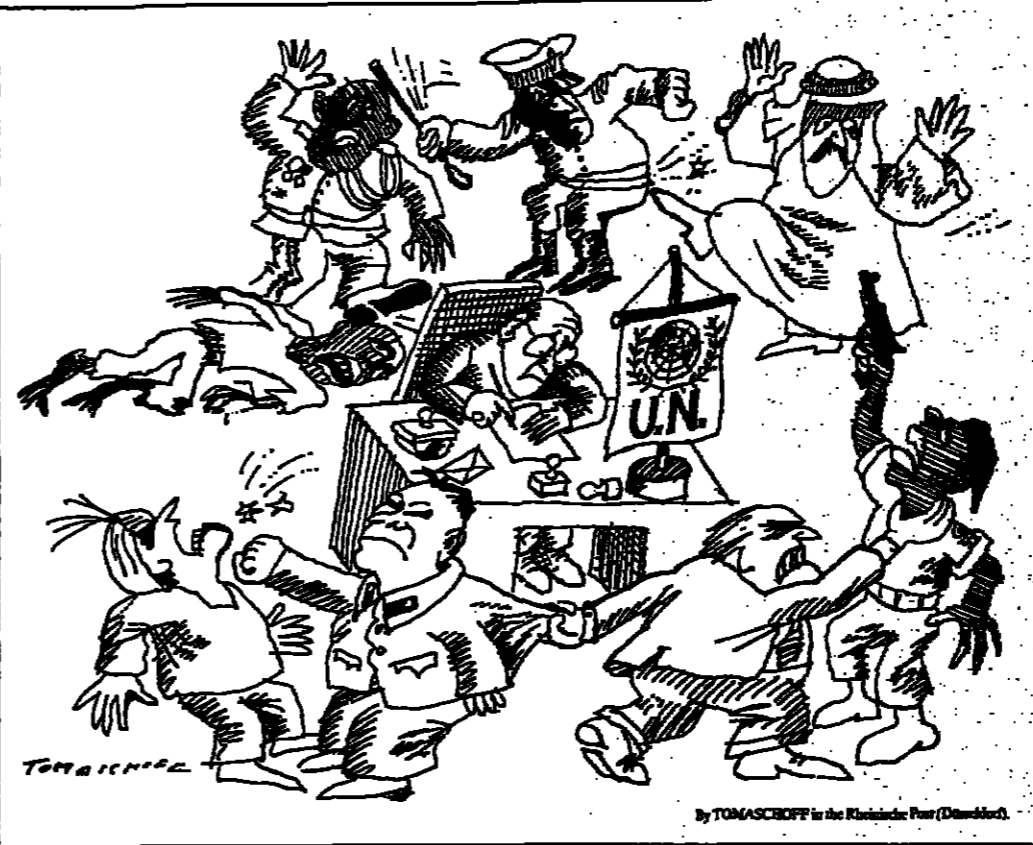
By David Shambaugh BEIJING — As the Pacific century dawns, China's history casts a long shadow over the new era. For nearly two centuries China has been dissatisfied, divided internally and threatened externally. Its preoccupation since the 19th century has been the pursuit of unity, wealth and power. Today it faces the future with a newfound confidence based on growing economic strength. Yet it remains defensive and dissatisfied. An assertive nationalism is evident that suggests continued difficulties for China in its relations with its Asian neighbors and with the United States...

The Global Trading System Proves Hard to Resist

By Jeane Kirkpatrick NEW YORK — The debate over the North American Free Trade Agreement came about as close to class war as American politics ever gets. The conflict did not rest on a misunderstanding. It reflected a real conflict of real values. No one denied that eliminating barriers to investment and trade between the United States and Mexico would cost the United States some good jobs. But NAFTA supporters denied that the low-wage jobs that would be lost to Mexico's low-wage economy were worth saving...

As Winter Takes Aim At Bosnia

By Shep Lowman WASHINGTON — Once again winter poses the threat of a major humanitarian disaster in Bosnia. Half of Bosnia is already snow-covered. A hard winter looms. Last year, though fighting continued through the winter, some roads stayed open and the UN was able to keep up at least minimal levels of deliveries. This year, commercial supplies from the Dalmatian coast into central Bosnia have been blocked for months and UN relief convoys greatly restricted. Meanwhile, the people's physical resistance has been reduced by another year of privation. Millions of lives are at risk...



By TOMASCHOFF in the Helsinki Post (Copyright)

Japan to have a permanent seat on the UN Security Council. Essentially, though, Japan remains a reactive player, whether on GATT's Uruguay Round of world trade talks, Bosnia or even China, where the commercial stakes are high. At the same time the United States is finding it increasingly difficult to match its continued global leadership rhetoric with action. It has neither the cash nor the stomach for it — witness Bosnia, Somalia and Haiti. Could the new, presumably weak government in Japan surprise us all — not only by pushing through domestic political reform and taking charge of its 'ruling bureaucracy', but also by exerting some much needed international leadership at the end of the Cold War just as the United States was forced to do in the 1950s?

And perhaps, although it may seem unlikely, a domestically preoccupied Clinton administration would be willing to see Japan flex its muscles and become an active partner. We know that a rumored Japanese initiative on rice could help rescue the Uruguay Round; that Japan could help resuscitate a "new world order," currently in shambles; and that Japan could usefully bring its historical experience to bear on transition and development processes around the globe. The United States and Europe may be too tired or self-absorbed to present to worry about the current yawning vacuum in leadership and ideas. This could be the time for Japan to step forward — and shame the rest of us into action.

The writer, professor of international economics at Yale University, is a fellow at the Institute for Advanced Study in Berlin. He contributed this comment to the International Herald Tribune.

Beijing knows, too, that the U.S. business community is against making rights progress a condition of trade with China. I gaze in fond wonder at my business friends, virtuosos of a money piano I don't know how to play. The profit motive fuels the world. But used to help build up dictatorships it has flooded the engine with war and death, from Hitler to Tojo to Saddam Hussein.

Nobody asks for "isolation" of China — that is a straw bearing. The human rights community — Americans in every part and party of the United States — simply says that when we do business with a government that rules by torture and slave labor, we do not have to give the best possible terms. That seems particularly reasonable when the torturers already sell us \$20 billion more than they buy.

President Clinton is giving Beijing every chance. He waits to see if his new approach works. So do we and they.

The New York Times.

The irony is that as China's economy and national power grow, its independence is further restricted by interdependent linkages. This is pleasing and galling to leaders who have long believed that independence would be enhanced through growing national power.

The challenge for the Chinese leadership is to break free of its zero-sum worldview and embrace the post-positivism world of interdependence. This will probably be impossible as long as the Communist Party feels that it is politically vulnerable at home and that its grip on power could be weakened by foreign forces.

The writer teaches at the School of Oriental and African Studies, University of London, and is editor of The China Quarterly. He contributed this comment to the International Herald Tribune.

Later, of course, will be too late for many. The problems facing all in Bosnia this winter are enormous. But surely this is one we can resolve. If funds are available, they must be released immediately.

The writer, director of International Refugee and Migration Affairs of the U.S. Catholic Conference Migration and Refugee Services, visited Zagreb and Sarajevo last month. He contributed this comment to the International Herald Tribune.

1893: Matabele Defeated LONDON — A special telegram to the Pall Mall Gazette from Johannesburg yesterday [Nov. 23], says the reports from the parastate state that the Matabele have dispersed, and that Lobengula has fled in the direction of the Zambezi. The Matabele are disgraced and broken into small parties over the country. A part of the patrol under Major Forbes is following Lobengula. The war is considered over.

1918: Attacks on Wilson NEW YORK — The War Congress brought its second session to a close amid violent explosions in the Senate against what is termed the Administration's trend toward state socialism, exemplified in the seizure of cables since the cessation of hostilities. The President's trip abroad was harshly criticized on the Republican side, while Senator Reed, of Missouri, a Democrat, attacked the idea of a League of Nations as the "most monstrous doctrine ever proposed to this Republic." The debate marks the end of the war-time harmony which prevailed in the Senate last year.

1943: Patton's Offense ALLIED HEADQUARTERS, EGIPT — [From our New York edition] The case of Lieutenant General George S. Patton Jr. was made public property here today [Nov. 23] when a high-ranking spokesman for the American Army admitted for publication the details of an incident in Sicily. The basic facts in the case are that on Aug. 10, General Patton twice struck a twenty-one-year-old anti-aircraft man who at the time was suffering from a genuine case of shell shock. The act took place during a visit to an evacuation hospital. Although no "on-the-record" action was taken, General Dwight D. Eisenhower, Allied commander in chief in the Mediterranean theater, "took the hide out" Patton, who subsequently went about Sicily apologizing to everyone.

International Herald Tribune KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairman RICHARD McCLEAN, Publisher & Chief Executive JOHN VINOCUR, Executive Editor & Vice President

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Matabele Defeated LONDON — A special telegram to the Pall Mall Gazette from Johannesburg yesterday [Nov. 23], says the reports from the parastate state that the Matabele have dispersed, and that Lobengula has fled in the direction of the Zambezi. The Matabele are disgraced and broken into small parties over the country. A part of the patrol under Major Forbes is following Lobengula. The war is considered over.

1918: Attacks on Wilson NEW YORK — The War Congress brought its second session to a close amid violent explosions in the Senate against what is termed the Administration's trend toward state socialism, exemplified in the seizure of cables since the cessation of hostilities. The President's trip abroad was harshly criticized on the Republican side, while Senator Reed, of Missouri, a Democrat, attacked the idea of a League of Nations as the "most monstrous doctrine ever proposed to this Republic." The debate marks the end of the war-time harmony which prevailed in the Senate last year.

OPINION

Reading the APEC Tea Leaves

HONG KONG — Seldom has a set of initials moved so far so fast in the American consciousness as APEC, the Asia-Pacific Economic Cooperation forum. But what is this group, regarded until so recently by Washington as an unimportant talking shop? What apart from being an excuse for Bill Clinton to appear presidential, for President Jiang Zemin to get in...

Letters to the Editor

Lockerie and Justice: Regarding "Libya Denounces New UN Sanctions" (Nov. 13), which describes Libya's denunciation of sanctions linked to Libya's refusal to surrender two suspects in the 1988 bombing of a Pan American jetliner over Scotland... Thai Workers in Libya: Regarding "First of Thai Workers Leave Libya" (Nov. 10). I would like to express my concern about the report that a group of 200 Thai workers in Libya have been dismissed following orders from the Libyan government... U.S. and North Korea: Marshal Kim Jong Il is the last person to favor a military showdown with the United States. The issue must be amicably settled in the best national interests of Pyongyang and Washington...

Why Disney-ize History When There's No Need?

WASHINGTON — The grandchildren are gathered for another Thanksgiving — five of them now, none older than 5. Our normally sedate house is happily adjusting to their irreverent, irrepressible and often incomprehensible babbling. The oldest of them now recognize some of Washington's landmarks. Within a year or two, their visits can begin to include excursions into American history, letting them see and touch the monuments and walk over the ground where the nation was forged in prayer, in debate and in bloody battle...



OF COURSE, I FEEL BAD ABOUT THE BALKAN SITUATION. BUT THEN I ASK MYSELF, WHAT HAS BOSNIA EVER DONE FOR ME? DANZIGER The Christian Science Monitor Los Angeles Times Syndicate

Books

THE COMPLETE LYRICS OF IRA GERSHWIN Edited by Robert Kimball. 414 pages. \$45. Alfred A. Knopf. Reviewed by Margo Jefferson. THE BARDS OF BROADWAY and Tin Pan Alley didn't make art for art's sake; they made art for commerce and for pleasure's sake. The worst of them were hit-men and great songs simultaneously. Ira Gershwin was one of the best. The first of many Gershwin biographers described him as all "plagiaristic mistrust" to George's "unabated enthusiasm," but I like better the journalist who said he was the only man in Hollywood who ever underacted...

Books

THE COMPLETE LYRICS OF IRA GERSHWIN Edited by Robert Kimball. 414 pages. \$45. Alfred A. Knopf. Reviewed by Margo Jefferson. THE BARDS OF BROADWAY and Tin Pan Alley didn't make art for art's sake; they made art for commerce and for pleasure's sake. The worst of them were hit-men and great songs simultaneously. Ira Gershwin was one of the best. The first of many Gershwin biographers described him as all "plagiaristic mistrust" to George's "unabated enthusiasm," but I like better the journalist who said he was the only man in Hollywood who ever underacted...

Best Sellers

Table with columns for Rank, Title, Author, and Last Week. Includes titles like 'The Client' by John Grisham, 'The Bridges of Madison County' by Robert James Waller, and 'The Hidden Life of Bees' by Loren Eiseley.

Best Sellers

Table with columns for Rank, Title, Author, and Last Week. Includes titles like 'A Marriage Made in Heaven', 'The Complete Lyrics of Cole Porter', and 'The Complete Lyrics of Lorenz Hart'.

Best Sellers

Table with columns for Rank, Title, Author, and Last Week. Includes titles like 'The Client' by John Grisham, 'The Bridges of Madison County' by Robert James Waller, and 'The Hidden Life of Bees' by Loren Eiseley.

FRENCH COMPANY HANDBOOK 1993. Profiles of leading French Companies. The 1993 completely revised and updated edition contains 132 pages of information in English on a selection of 50 of the most important French companies...

Subscription form for the French Company Handbook. Includes fields for name, address, city/country code, and company EEC VAT ID No. Also includes a section for payment methods (Access, Amex, Diners, Eurocard, MasterCard, Visa).

LONDON THEATER

Fall of 'Angels':
Epic's 2d Part
Betrays the First

By Sheridan Morley
International Herald Tribune

LONDON — At a time when our leading home-made dramatists are still on the run from anything that might even remotely touch on the 1990s (David Hare honorably excepted), we should continue to salute Tony Kushner.

Cohn eventually takes the play and runs away with it. Like Lambert LeRoux of "Pravda," he is at once the most terrifying and the most memorable creation, dominating by sheer mesmeric villainy the acres of political correctness in which others seek to lose him.

Annette Funicello as '60s beach movie queen, in her Mouseketeer role, and getting Hollywood Walk of Fame star.



ABC (Beach movie), Photo (Mouseketeer), Bert Bechtelstein for The New York Times

A Mouseketeer Forever

By Holly George-Warren
New York Times Service

NEW YORK — Two days after Annette Funicello's name, handprint and honorary star were emblazoned onto the Hollywood Walk of Fame in mid-September, fragrant flower arrangements, congratulatory banners and colorful balloons filled her home in Encino, California.

equilibrium is shot. I have no balance. But from the waist up, you wouldn't notice a thing.

The weekend after Funicello was the guest of honor at the Walk of Fame ceremonies, she greeted more of her fans at the second annual Disneyana Convention at the Disneyland Hotel in Anaheim, California.

'Cyrano,' the Musical, Turns Play Into Pop Operetta

By Ben Brantley
New York Times Service

NEW YORK — Credit the many people involved in turning "Cyrano de Bergerac" from a lyrical, swashbuckling French play into a Dutch musical into a \$7 million English-language musical with at least one success: Its plot is as easy to follow as a synopsis laid out in Cliff's Notes.

you're still here. It must be seven years." Now such clarity of exposition may be a virtue. But it doesn't leave much room for the rhapsodic infatuation with words that was at the heart of Edmond Rostand's 1898 masterpiece of theatrical hokum and was the very lifeblood of its title character, the long-beaked, poetic-souled cavalier of 17th-century Paris.

Don't put too much blame on Bill Van Dijk, the Dutch actor who created the title part in the original version and stars again here.

show's composer is Ad Van Dijk, and none of these Van Dijks are related.) The writers have been unable to find a way of translating the bravura linguistic arias Rostand gave his title hero with any comparable flair.

so rapidly and dazzlingly that they don't really have a chance to establish their reason to be. And some of them, like an unbearably cute dancing-avenue sequence in the concert to which Roxane has returned at the play's end, should have been scrapped long ago.

Quintessential Butterfly: A Japanese Woman Who Sings Like an Italian

By Christine Chapman

NEW YORK — There is no doubt about it: Yoko Watanabe, Madame Butterfly still lives, 90 years after Cio-Cio-san, the young geisha created by Giacomo Puccini in the 1904 opera, was married and abandoned in Nagasaki by the American naval officer Lieutenant Pinkerton. The Japanese-born Watanabe, who has played Butterfly to international acclaim for 10 years and is now in the Metropolitan Opera production, believes that Cio-Cio-san's love and grief are universal.

decided it is better to make the audience cry." With the aria "Un bel di," and her flair for melodrama, she wrings new meaning from the description of the opera as a "tearjerker."

Nedda in Leoncavallo's "Pagliacci." But it is as Butterfly that Yoko Watanabe stands out in the opera world.

When she was 3 years old, she began to study Japanese and classical dance. When she was 6, her teacher said she was too tall and too heavy to be a dancer. "So I decided to study piano to be a great pianist," she said. "When I was 16, I saw my first opera, 'Madama Butterfly,' and I decided I had to study this role. The Butterfly I saw, Kuniko Kozono, became my teacher for three years."

First place went to the tenor who sang Pinkerton, Renato Grimaldi. After two years of postgraduate work at Tokyo, she won a scholarship to study voice at La Scala. "Italy is the country of singing, not Japan," Watanabe said. "Opera students must study Italian."



Yoko Watanabe: "The sentiment is the same over all the world. . . All countries have Cio-Cio-san."

CALLING ONE FOREIGN COUNTRY FROM ANOTHER IS NO SECRET CODES WITH THESE SIMPLE ACCESS CODES

Whether you're trying to reach another country overseas, or call back to the U.S. Sprint Express can help. Just dial the access code of the country you're in to reach an English-speaking Sprint operator. You don't even have to be a Sprint customer. All you need is a U.S. local calling card or World Traveler FONCARD. If you're calling the U.S., you can even call collect. But next time you call, use Sprint Express. It can make foreign countries seem a little less foreign.

هكذا من الأمل

DUJAN

International Herald Tribune, Wednesday, November 24, 1993

Page 9

Elf Warns Profit Will Drop, Plans Sales to Cut Debt

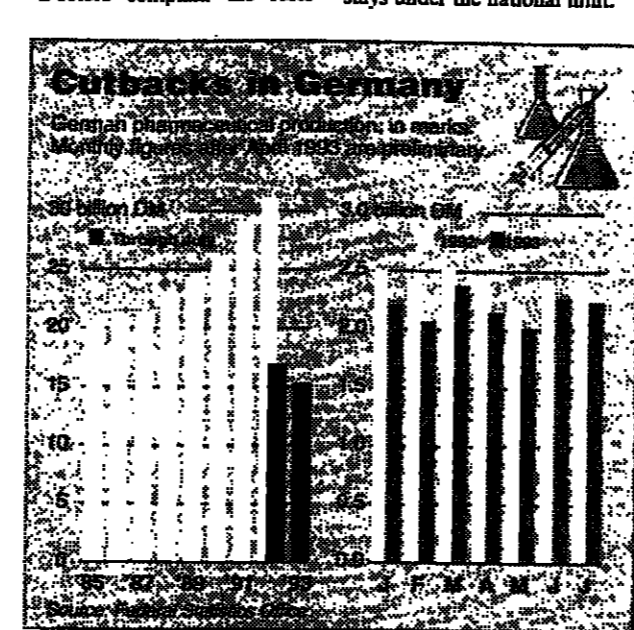
By Jacques Neher
International Herald Tribune
PARIS — Trying to purge itself of bad news before its privatization early next year, Elf Aquitaine SA said Tuesday that net profit would plunge more than 80 percent this year, while announcing it would sell off more than \$1 billion in assets to lower its debt.

Philippe Jaffré, who was named chairman in August, told reporters that the drop in oil prices, coupled with the effects of Europe's recession on its chemical business, would result in net profit for 1993 "not much over 1 billion francs" (\$170 million). The estimate includes charges of 2.2 billion francs for exceptional provisions.

Prescriptions Law Has Side Effects
Germany's New Rules Upset Doctors and Drug Firms

By Ferdinand Proetzman
New York Times Service
FRANKFURT — At the beginning of this year, Germany adopted a law to reduce costs in its health care system, mainly by putting price controls on some pharmaceuticals and a ceiling on the total value of drugs that the country's doctors can prescribe.

half of the bill for employees who choose a private insurer.
If German doctors collectively exceed the \$15 billion limit that the government has put on prescriptions this year, the sickness funds would refuse to reimburse them for the amount above the limit, in effect penalizing them for overprescribing.



THE TRIB INDEX: 107.95

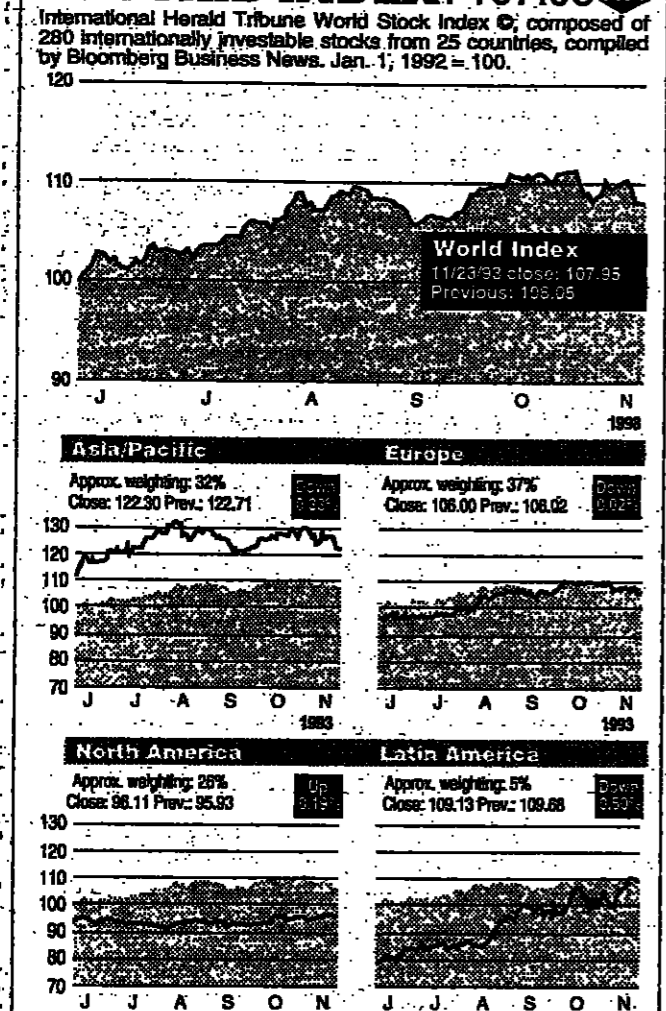


Table with 4 columns: Index Name, Total, Prev., % Change, and % Change. Rows include Energy, Utilities, Finance, and Services.

Britain Slashes Rates to 16-Year Low

By Ferdinand Proetzman
New York Times Service
LONDON — Britain cut interest rates to a 16-year low on Tuesday in a bid to accelerate economic recovery and offset the effects of expected tax rises in next week's budget.

warranted," said Mr. Clarke, who was appointed in May with a mandate from Prime Minister John Major to get the economy moving.

MEDIA MARKETS

Hotel Wired for Journalists

By Ann Brockelhurst
Special to the Herald Tribune
BERLIN — Rod Pounsett, the director of Berlin's International Media Clubhouse, is a man haunted by phugs. As a globe-trotting journalist for the BBC, he could never find enough of them in hotels, and it sometimes hampered his ability to work on the road.

Hopewell Offers China Power Play

By Ferdinand Proetzman
New York Times Service
HONG KONG — Hopewell Holdings Ltd.'s managing director, Gordon Wu, will give Hong Kong investors something Wednesday that they have never had before: a chance to invest directly in China's power industry.

WE'VE BUILT A GLOBAL BANK ON TIMELESS PRINCIPLES.



From the beginning, Republic National Bank has been dedicated to a single objective: the protection of depositors' funds. We believe that preserving client assets is the most important service any bank can provide.

CURRENCY & INTEREST RATES

Large table containing various financial data including Cross Rates, Eurocurrency Deposits, Key Money Rates, and Forward Rates.

REPUBLIC NATIONAL BANK OF NEW YORK (SUISSE) SA. A SAFA BANK. HEAD OFFICE: GENEVA 1204. BRANCHES: LUGANO 6901, VIA CANOVA, MILAN 10911, ZURICH 8039, STOCKERSTRASSE 37, etc.

Orders Fall Off At ABB

Compiled by Our Staff From Dispatches
ZURICH — ABB Asea Brown Boveri Ltd. said Tuesday that its order book had shrunk in the first nine months of the year but that it still expected 1993 earnings after financial items to match the \$1.11 billion in 1992.

ABB, a world leader in power plants, transportation equipment and industrial processes, said that earnings after financial items but before a one-time restructuring charge were \$722 million in the January-September period, down 1.2 percent from a year earlier.

Pre-tax profit after nonrecurring items fell 17 percent to \$561 million in the period. This measure of profit included \$161 million in restructuring charges taken in the third quarter, part of \$500 million in such charges announced in August.

Operating earnings after depreciation rose 13 percent in the first nine months, to \$1.42 billion.

But orders in the period slipped 15 percent, to \$20.34 billion, due to exchange-rate fluctuations and weak economies in many parts of the world. (Bloomberg, Reuters)

Russia Sells a Launch Indiana Company Puts Up Satellite

By Edmund L. Andrews
New York Times Service
WASHINGTON — A small business based in Indiana and partly backed by a Malaysian investor has become the first Western company to successfully arrange the launching of a Russian satellite entirely for commercial communications.

Rimsat Corp., a two-year-old Fort Wayne company, said Monday that it had placed into orbit a Russian satellite called a Gorizont.

The 4,500-pound (2,045-kilogram) satellite was launched Thursday aboard a Russian Proton rocket from a space center in Kazakhstan. Company executives said the spacecraft had reached its intended orbit over the Equator and that they hoped to sell television and telephone links over much of the Pacific Rim and Asia.

With only about a dozen employees, Rimsat leased and arranged launching services from a Moscow company called Informosmos, a private company created from the Soviet Union's state-owned rocket and satellite enterprises.

The launching is part of a trend among Western companies to buy Russian satellite and rocket services. Intelsat, the consortium that provides most of the world's international satellite communications, contracted last year to lease three Russian satellites to be launched in the next few years.

"The business opportunity is that there is pent-up demand for transponders in the Pacific," said James Simon, managing director of Rimsat.

The Gorizonts — from the word for "horizon" — were used for years by the Soviet government. They are about twice as heavy as a typical Western communications satellite and have about a quarter the communications capacity. Their expected lifetime of seven years is about half that of a typical American satellite.

Their chief virtue is low cost. Mr. Simon said his company had signed a contract to buy and launch six satellites for a total of \$150 million. That would barely pay for one satellite built and launched from the United States or Europe.

Rimsat is largely the brainchild of Matthew Nilson, a California entrepreneur. In the late 1980s he formed an unusual partnership with the Pacific island kingdom of Tonga. He had discovered that any country, no matter how small, could stake claims to the small number of orbital positions available for geostationary satellites, which orbit at the same speed as the earth's rotation and thus appear to stay put.

Forming a company called Tongasat, Mr. Nilson staked out six orbital spots and began looking for companies that wanted to use them. Through a business partner in San Diego, he hooked up with Mr. Simon in Indiana.

Mr. Simon rounded up about 60 investors from Indiana and formed Rimsat. The company later raised most of the money for a new satellite from a Malaysian businessman, Tajudin bin Ramli. He is chairman of Technology Resources Inc. in Malaysia, a conglomerate involved in real estate, cellular telephones and other businesses.

Political Fears Roil the Lira and Italian Stocks

Compiled by Our Staff From Dispatches
MILAN — Italian financial markets regained some poise late on Tuesday after political fears had triggered a stampede out of the lira, carrying the currency to record lows.

Nerves were soothed by a statement by Achille Occhetto, leader of the former Communist Democratic Party of the Left, one of the main winners in Sunday's local polls, pledging support for the ailing Rome government's budget plans.

The lira, which touched a record low of 1,005.25 to the mark during the morning, rebounded to close little changed on Monday at 994.75.

Alarmed by the weakness of the currency, investors in Italian stocks and bonds had also unloaded their holdings, extending heavy losses seen on Monday in the wake of the local government elections.

Stock and bond prices, while remaining below Monday's levels, recouped some losses, with the Milan MIB index ending down just 0.36 percent. The index lost 4.9 percent on Monday after Italians humiliated the ruling, scandal-tainted Christian Democrats, splitting their votes between the political right and left and the federalist Northern League.

The market is now back to its June levels, wiping out the summer's rally.

The elections raised questions about whether Prime Minister Carlo Azeglio Ciampi would be able to force his deficit-cutting package through Parliament by year-end. But investors were soothed after Mr. Occhetto said his party would support the government's 1994 budget. He called the market's fears about his economic policies "unjustified."

The market jitters also coincided with a report that the Italian balance of payments plunged deeply into the red in September, an official source said. The source said Italy showed a balance of payments deficit of 2.92 trillion lire in October, a sharp turnaround from a surplus of 7.69 trillion lire in September, and from a surplus of 10.06 trillion lire in October 1992. (Reuters, AFP, Bloomberg)

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40		
2100	2800	2000		
2000	3100	2200		
1900	3000	2100		
1800	2900	2000		
1700	2800	1900		
1600	2700	1800		
1993 J J A S O N				
1992 J J A S O N				
1991 J J A S O N				
Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	CBS Trend	133.50	133.80	-0.07
Brussels	Stock Index	7,062.59	7,073.08	-0.15
Frankfurt	DAX	2,027.41	2,030.00	-0.13
Frankfurt	FAZ	784.77	788.16	-0.43
Helsinki	HEX	1,516.81	1,526.97	-0.53
London	Financial Times 30	2,328.00	2,328.20	-0.01
London	FTSE 100	3,069.30	3,070.60	-0.04
Madrid	General Index	297.36	299.80	-0.81
Milan	MIB	1,132.00	1,163.00	-2.67
Paris	CAC 40	2,071.47	2,082.61	-0.53
Stockholm	Allaersvaerden	1,548.56	1,567.58	-1.21
Vienna	Stock Index	450.15	454.98	-1.06
Zurich	SBS	827.73	828.17	-0.05

Sources: Reuters, AFP
 International Herald Tribune

GATT Chief Assails U.S. Stance on Tax Rules

Compiled by Our Staff From Dispatches
GENEVA — The world trade chief assailed the United States on Tuesday for its plans to opt out of new international rules on taxation.

Peter Sutherland, director-general of the General Agreement on Tariffs and Trade, said Washington's stance threatened to undermine an accord on trade in services and might even put the overall GATT trade talks at risk. The talks, which began in 1986, face a Dec. 15 deadline.

Last month the United States announced it wanted to exempt direct taxation from nondis-

crimination rules embodied in the new services agreement. In effect, this would give the United States unlimited rights to tax foreign individuals or companies at a higher rate than locals.

The Treasury has argued that it needs to keep control over tax policy to prevent tax evasion by non-Americans.

Mr. Sutherland told Leslie Samuels, assistant secretary for tax affairs at the U.S. Treasury, the United States was isolated on the tax issue.

Meanwhile, in Washington, Trade Representative Mickey Kantor and his European coun-

terpart, Sir Leon Brittan, resumed talks Tuesday to seek a way out of an impasse over farm subsidies that has stymied the negotiations to liberalize world trade.

The United States has insisted it will never yield to a French demand that it renegotiate provisions of the Blair House agreement with the European Community, a deal cut a year ago to reduce farm subsidies.

Sir Leon, the European Community's trade commissioner, was to meet President Bill Clinton after his talks with Mr. Kantor. (AP, AFP, Reuters)

Layoffs at Fiat

Fiat SpA, one of the few European carmakers to steer clear of heavy layoffs in recent months, plans to cut 4,800 jobs in 1994 because of the crisis in the car market, Reuters quoted the head of Fiat's industrial relations board, Maurizio Magnabosco, as saying.

Mr. Magnabosco said Fiat also intended to put between 7,000 and 10,000 workers into a temporary layoff program next year. Fiat was meeting with unions Tuesday to present its development plans for the next three years.

Very briefly:

- Lagardère, the French conglomerate, said that Bernard Attali, who recently relinquished the chairmanship of Air France, will chair the supervisory board of Arjil Bank, controlled by Lagardère.
- France's economy will grow next year by 1.4 percent in real terms but will decline by 0.8 percent this year "if things go well," said Budget Minister Nicolas Sarkozy. The national statistics institute also announced that consumer prices rose at a rate of 2.2 percent in October, down from 2.3 percent in September.
- Electronic Data Systems Corp., a unit of General Motors Corp., has been chosen to run the computers of Britain's tax collection agency, the Inland Revenue, for a decade for \$1.48 billion (£1 billion).
- Rhône-Poulenc SA's public share offer, which closed Tuesday, will be oversubscribed, and possibly by as much as three times.
- Allied-Lyons PLC said that pretax profit for the six months ended Sept. 18 had risen by 21.8 percent, to £285 million (\$430.66 million), buoyed by a steady performance from its brewing, distilling and retail businesses.
- VIAG AG said group sales in the first three quarters were steady at year-earlier levels but earnings lagged last year's because of restructuring.

DRUG: German Prescriptions Law Upsets Doctors and Drug Companies

Continued from Page 9
 such strains. After she had a heart attack a year ago, Miss Keuch asked her doctor for Lasix, a diuretic made by Hoechst AG that had been prescribed for her in the hospital. He refused and prescribed a substitute, saying it was just as good but less expensive.

"He gave me everything else I wanted, except that medicine," Miss Keuch said. "On Sept. 1, I switched to a different doctor in Bonn. She prescribed the Lasix for me." Miss Keuch said she thought

Lasix was stronger and more effective.

Some say the controls are needed. Previously, Germany had few cost controls on prescription drugs and no incentives for doctors or patients to use less costly alternatives.

In addition to setting the \$15 billion cap, 9.1 percent less than last year's spending level, on the value of prescriptions reimbursed by sickness funds, the government set limits on the prices the funds could pay for more than half of all brand-name medicines.

however, that statistic does not indicate the current trend.

The pharmaceutical industry argues that it is unfairly bearing the brunt of the cost-cutting.

"While the drug-research companies without exception are showing strong sales losses, the generic producers are recording double-digit growth rates," said Dr. Karl-Gerhard Seifert, the Hoechst board member responsible for its pharmaceuticals division. "Reduced to the lowest common denominator, the research-driven pharmaceutical producers are footing the bill."

Thorn Stock Slumps 4% After Weak Profit Report

Bloomberg Business News
LONDON — Shares in Thorn EMI PLC fell more than 4 percent on Tuesday after the company reported static earnings for its first half.

Shares in the diversified music company closed 31 pence lower, at 918 pence (\$13.54), after the company reported results that included a widened loss at its technology and defense units and also said its dividend for the first half would be unchanged from last year's level of 9 pence.

The earnings were at the lower end of expectations, and disappointment over its dividend payment helped hammer the stock," said an analyst at Henderson Crosshwaite.

Thorn's pretax profit totaled £105 million (\$154.98 million) in the six months ended Sept. 30, barely changed from £105.2 million a year earlier.

Operating profit for its music business, which includes its Virgin unit, rose 48.3 percent to £59.9 million. The company's rental division earned £52.6 million, up 17.7 percent. But the technology and defense unit had a loss of £14.7 million, wider than £1.7 million a year ago.

9-Month Profit Rises at Fortis

Compiled by Our Staff From Dispatches
BRUSSELS — Fortis, a Belgian-Dutch insurance and banking company, said nine-month profit was up 19 percent on strong gains in its Dutch nonlife-insurance business and its life-insurance business in Belgium.

Fortis, a joint venture of Amve NV of the Netherlands and Group AG of Belgium, said profit rose to 357.1 million European Currency Units (\$401.4 million) from 300.6 million Ecu a year earlier, in line with analysts' forecasts. Operating profit rose 15.0 percent, to 343.8 million Ecu from 299 million Ecu.

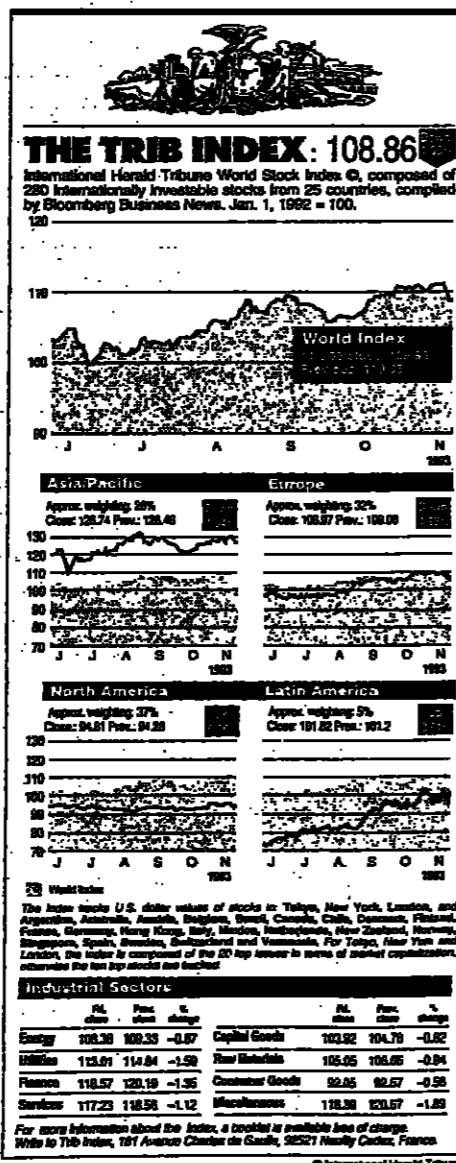
The company again forecast higher profit for the full year.

Revenue rose 11.0 percent, to 6.88 billion Ecu from 6.20 billion. Fortis's operating profit rose to 343.8 million Ecu from 299 million.

Fortis said its results reflected improvements in nearly all countries and sectors.

Its Spanish operation, Caifor, also contributed to its growth. Fortis said. (Bloomberg, AFX)

The 25 key world markets reported in a single index — daily in the IHT.



The Trib Index, the IHT's exclusive global equities index, tracks share price movements in all the world's major markets and industrial sectors.

This unique index provides a quick, selective benchmark on the state of the world's stock markets and, indirectly, the international economy.

It is the only major world equities index to carry a Latin American component.

The Trib Index appears daily in the International Herald Tribune.

Herald Tribune



To all of our friends and clients, a joyous holiday season and a Happy New Year.

JBcoB

BANK JULIUS BAER
 The Fine Art of Swiss Banking

Zurich, Bahnhofstrasse 36, CH-8010 Zurich, Tel. (01) 228 51 11
 Geneva - Paris - Bordeaux - Frankfurt - London - New York - Los Angeles - San Francisco
 Palm Beach - Montreal - Mexico City - Hong Kong

NASDAQ

Tuesday's Prices
NASDAQ prices as of 4 p.m. New York time.
This list compiled by the AP, consists of the 1,000
most traded securities in terms of dollar value. It is
updated twice a year.

12 Month High Low	Stock	Div	Yld	PE	High	Low	Latest Cl
11 1/2	Alcoa	0.40	3.8	17.5	37 1/2	36 3/4	36 3/4
2 1/4	American Online	0.00	0.0	13.0	24 1/2	24 1/4	24 1/4
1 1/4	American Express	0.50	2.0	25.0	40 1/2	40 1/2	40 1/2
5 1/4	American International Group	0.00	0.0	11.0	33 1/2	33 1/4	33 1/4
2 1/4	Amgen	0.60	2.8	20.0	36 1/2	36 1/4	36 1/4
4 1/4	Amgen	0.60	2.8	20.0	36 1/2	36 1/4	36 1/4
1 1/2	Amgen	0.60	2.8	20.0	36 1/2	36 1/4	36 1/4
1 1/2	Amgen	0.60	2.8	20.0	36 1/2	36 1/4	36 1/4

12 Month High Low	Stock	Div	Yld	PE	High	Low	Latest Cl
11 1/2	Alcoa	0.40	3.8	17.5	37 1/2	36 3/4	36 3/4
2 1/4	American Online	0.00	0.0	13.0	24 1/2	24 1/4	24 1/4
1 1/4	American Express	0.50	2.0	25.0	40 1/2	40 1/2	40 1/2
5 1/4	American International Group	0.00	0.0	11.0	33 1/2	33 1/4	33 1/4
2 1/4	Amgen	0.60	2.8	20.0	36 1/2	36 1/4	36 1/4

12 Month High Low	Stock	Div	Yld	PE	High	Low	Latest Cl
11 1/2	Alcoa	0.40	3.8	17.5	37 1/2	36 3/4	36 3/4
2 1/4	American Online	0.00	0.0	13.0	24 1/2	24 1/4	24 1/4
1 1/4	American Express	0.50	2.0	25.0	40 1/2	40 1/2	40 1/2
5 1/4	American International Group	0.00	0.0	11.0	33 1/2	33 1/4	33 1/4
2 1/4	Amgen	0.60	2.8	20.0	36 1/2	36 1/4	36 1/4

12 Month High Low	Stock	Div	Yld	PE	High	Low	Latest Cl
11 1/2	Alcoa	0.40	3.8	17.5	37 1/2	36 3/4	36 3/4
2 1/4	American Online	0.00	0.0	13.0	24 1/2	24 1/4	24 1/4
1 1/4	American Express	0.50	2.0	25.0	40 1/2	40 1/2	40 1/2
5 1/4	American International Group	0.00	0.0	11.0	33 1/2	33 1/4	33 1/4
2 1/4	Amgen	0.60	2.8	20.0	36 1/2	36 1/4	36 1/4

AMEX

Tuesday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trading elsewhere. Via The Associated Press

12 Month High Low	Stock	Div	Yld	PE	High	Low	Latest Cl
11 1/2	Alcoa	0.40	3.8	17.5	37 1/2	36 3/4	36 3/4
2 1/4	American Online	0.00	0.0	13.0	24 1/2	24 1/4	24 1/4
1 1/4	American Express	0.50	2.0	25.0	40 1/2	40 1/2	40 1/2
5 1/4	American International Group	0.00	0.0	11.0	33 1/2	33 1/4	33 1/4
2 1/4	Amgen	0.60	2.8	20.0	36 1/2	36 1/4	36 1/4

12 Month High Low	Stock	Div	Yld	PE	High	Low	Latest Cl
11 1/2	Alcoa	0.40	3.8	17.5	37 1/2	36 3/4	36 3/4
2 1/4	American Online	0.00	0.0	13.0	24 1/2	24 1/4	24 1/4
1 1/4	American Express	0.50	2.0	25.0	40 1/2	40 1/2	40 1/2
5 1/4	American International Group	0.00	0.0	11.0	33 1/2	33 1/4	33 1/4
2 1/4	Amgen	0.60	2.8	20.0	36 1/2	36 1/4	36 1/4

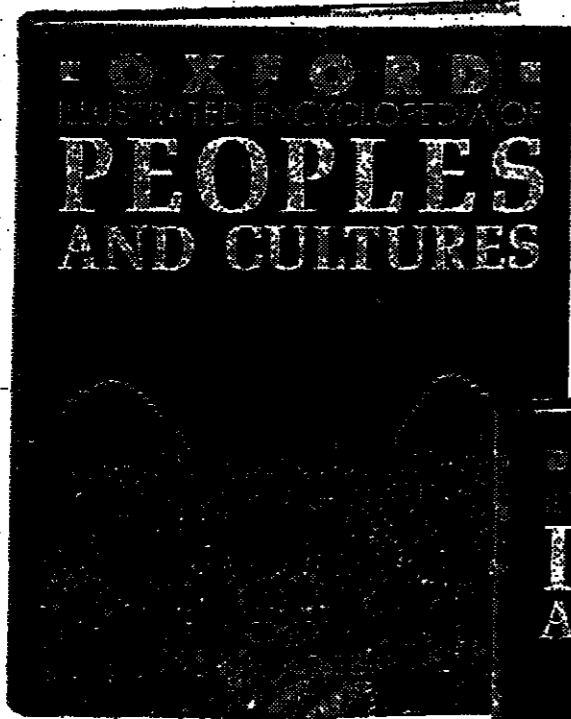
12 Month High Low	Stock	Div	Yld	PE	High	Low	Latest Cl
11 1/2	Alcoa	0.40	3.8	17.5	37 1/2	36 3/4	36 3/4
2 1/4	American Online	0.00	0.0	13.0	24 1/2	24 1/4	24 1/4
1 1/4	American Express	0.50	2.0	25.0	40 1/2	40 1/2	40 1/2
5 1/4	American International Group	0.00	0.0	11.0	33 1/2	33 1/4	33 1/4
2 1/4	Amgen	0.60	2.8	20.0	36 1/2	36 1/4	36 1/4

12 Month High Low	Stock	Div	Yld	PE	High	Low	Latest Cl
11 1/2	Alcoa	0.40	3.8	17.5	37 1/2	36 3/4	36 3/4
2 1/4	American Online	0.00	0.0	13.0	24 1/2	24 1/4	24 1/4
1 1/4	American Express	0.50	2.0	25.0	40 1/2	40 1/2	40 1/2
5 1/4	American International Group	0.00	0.0	11.0	33 1/2	33 1/4	33 1/4
2 1/4	Amgen	0.60	2.8	20.0	36 1/2	36 1/4	36 1/4

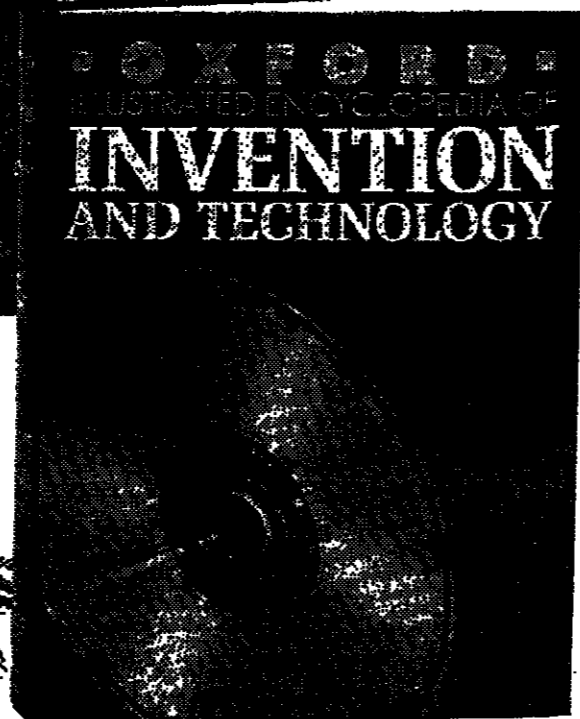
Sales figures are indicated. Yearly high and low reflect the 12-month period. Dividend data is for the 12 months ending on the date of the last dividend. Yield is based on the current price. P/E is price to earnings ratio. Dividend is declared after or on the date of the dividend. Dividend is paid in cash or stock. Dividend is paid in cash or stock. Dividend is paid in cash or stock. Dividend is paid in cash or stock.

سكدا من الاما

Give the IHT as a gift and give yourself a gift as well!



Choose between these two magnificent Oxford Illustrated Encyclopedias.



Take advantage of our special gift rate:

44%
off the
cover price!

A subscription to the IHT is an ideal year-long gift for a friend or business acquaintance — especially at our special gift rate of up to 44% off the cover price.

For each six- or twelve-month gift subscription that you order we will send you one of the Oxford Encyclopedias illustrated above — absolutely free.

Special bonus

for current subscribers
We will extend your own subscription by one week for each month's gift subscription you enter. For example, if you order two one-year gift subscriptions, your own subscription will automatically be extended by 24 weeks.

And, of course, we will send the new subscriber a handsome card, signed as you specify, announcing your gift.

Subscribe yourself

If you are not already an IHT subscriber, you can also take advantage of this special gift offer. In addition to your subscription you will receive the Oxford Encyclopedia of your choice — free.

Just complete the coupon below and send (or fax) us a copy for each order. And leave the rest to us.

Call us toll-free in

AUSTRIA: 0660 8155 LUXEMBOURG: 0800 2703
BELGIUM: 078 11 7538 SWITZERLAND: 155 57 57
FRANCE: 05 437 437 THE NETHERLANDS: 06 022 5158
GERMANY: 0130 848585 UNITED KINGDOM: 0800 89 5965

		12 months* 2 months FREE	6 months* 1 month FREE
Austria	A.Sch.	6,000	3,300
Belgium	B.Fr.	14,000	7,700
Denmark	D.Kr.	3,400	1,900
Finland	F.M.	2,400	1,300
France	F.F.	1,950	1,070
Germany	D.M.	700	385
Great Britain	£	210	115
Greece	Dr.	75,000	41,000
Ireland	Sh.	230	125
Italy	Lira	500,000	275,000
Luxembourg	L.Fr.	14,000	7,700
Netherlands	Fl.	770	420
Norway	N.Kr.	3,500	1,900
Portugal	Esc.	47,000	26,000
Spain	Pes.	48,000	26,500
— hand deliv. Madrid	Pes.	55,000	27,500
Sweden (airmail)	S.Kr.	3,100	1,700
— hand delivery	S.Kr.	3,500	1,900
Switzerland	S.Fr.	610	335
Rest of Europe, N. Africa, former French Africa, Middle East	\$	630	345
U.S. States, Asia Central/Latin America	\$	780	430
Rest of Africa	\$	900	495

Please indicate which gift subscription term you prefer and fill in the recipient's name and complete address. 12 months (+ 52 free issues, 364 issues in all) 6 months (+ 26 free issues, 182 issues in all)

Please check here if you prefer to send the free Oxford Encyclopedia to the recipient.
My choice is: Peoples and Cultures Invention and Technology.

Recipient's Name _____
Address _____
City/Code/Country _____

My name as it should appear on the gift card _____
Address _____
City/Code/Country _____

My subscription account number _____
 My check or money order is enclosed (payable to the International Herald Tribune).
 Please charge my credit card:
 Access American Express Eurocard Diners MasterCard Visa

Credit card changes will be made in French Francs at current exchange rates.
Card No. _____
Exp. Date _____ Signature _____

For business orders, please indicate your VAT number: _____ (IHT VAT number: FR747320211261)

Return your completed coupon to: Subscription Manager, IHT, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Fax: 33.1 46 37 06 51 - Tel.: 33.1 46 37 93 61.

* For information concerning hand-delivery in major German cities call toll free IHT Germany at: 0130-84 85 85 or fax (069) 69 48 94. Under German regulations, a 2-week free period is granted for all new orders.

Special gift rates for new subscribers only. Offer valid through January 31, 1994.

24-11-93

NYSE

Today's Closing
Tables include the nationwide price up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High Low Stock Div Yld PE 52 Weeks High Low Stock Div Yld PE

12 Month High	Low	Stock	Div	Yld	PE	52 Weeks High	Low	Stock	Div	Yld	PE
120	115	IBM	3.00	2.7	15.0	120	115	IBM	3.00	2.7	15.0
100	95	Microsoft	0.00	0.0	15.0	100	95	Microsoft	0.00	0.0	15.0
80	75	Apple	0.00	0.0	15.0	80	75	Apple	0.00	0.0	15.0
60	55	Oracle	0.00	0.0	15.0	60	55	Oracle	0.00	0.0	15.0
40	35	Amazon	0.00	0.0	15.0	40	35	Amazon	0.00	0.0	15.0
20	15	Google	0.00	0.0	15.0	20	15	Google	0.00	0.0	15.0

12 Month High	Low	Stock	Div	Yld	PE	52 Weeks High	Low	Stock	Div	Yld	PE
100	95	Microsoft	0.00	0.0	15.0	100	95	Microsoft	0.00	0.0	15.0
80	75	Apple	0.00	0.0	15.0	80	75	Apple	0.00	0.0	15.0
60	55	Oracle	0.00	0.0	15.0	60	55	Oracle	0.00	0.0	15.0
40	35	Amazon	0.00	0.0	15.0	40	35	Amazon	0.00	0.0	15.0
20	15	Google	0.00	0.0	15.0	20	15	Google	0.00	0.0	15.0

12 Month High	Low	Stock	Div	Yld	PE	52 Weeks High	Low	Stock	Div	Yld	PE
100	95	Microsoft	0.00	0.0	15.0	100	95	Microsoft	0.00	0.0	15.0
80	75	Apple	0.00	0.0	15.0	80	75	Apple	0.00	0.0	15.0
60	55	Oracle	0.00	0.0	15.0	60	55	Oracle	0.00	0.0	15.0
40	35	Amazon	0.00	0.0	15.0	40	35	Amazon	0.00	0.0	15.0
20	15	Google	0.00	0.0	15.0	20	15	Google	0.00	0.0	15.0


12 Month High	Low	Stock	Div	Yld	PE	52 Weeks High	Low	Stock	Div	Yld	PE
100	95	Microsoft	0.00	0.0	15.0	100	95	Microsoft	0.00	0.0	15.0
80	75	Apple	0.00	0.0	15.0	80	75	Apple	0.00	0.0	15.0
60	55	Oracle	0.00	0.0	15.0	60	55	Oracle	0.00	0.0	15.0
40	35	Amazon	0.00	0.0	15.0	40	35	Amazon	0.00	0.0	15.0
20	15	Google	0.00	0.0	15.0	20	15	Google	0.00	0.0	15.0

12 Month High	Low	Stock	Div	Yld	PE	52 Weeks High	Low	Stock	Div	Yld	PE
100	95	Microsoft	0.00	0.0	15.0	100	95	Microsoft	0.00	0.0	15.0
80	75	Apple	0.00	0.0	15.0	80	75	Apple	0.00	0.0	15.0
60	55	Oracle	0.00	0.0	15.0	60	55	Oracle	0.00	0.0	15.0
40	35	Amazon	0.00	0.0	15.0	40	35	Amazon	0.00	0.0	15.0
20	15	Google	0.00	0.0	15.0	20	15	Google	0.00	0.0	15.0

12 Month High	Low	Stock	Div	Yld	PE	52 Weeks High	Low	Stock	Div	Yld	PE
100	95	Microsoft	0.00	0.0	15.0	100	95	Microsoft	0.00	0.0	15.0
80	75	Apple	0.00	0.0	15.0	80	75	Apple	0.00	0.0	15.0
60	55	Oracle	0.00	0.0	15.0	60	55	Oracle	0.00	0.0	15.0
40	35	Amazon	0.00	0.0	15.0	40	35	Amazon	0.00	0.0	15.0
20	15	Google	0.00	0.0	15.0	20	15	Google	0.00	0.0	15.0

12 Month High	Low	Stock	Div	Yld	PE	52 Weeks High	Low	Stock	Div	Yld	PE
100	95	Microsoft	0.00	0.0	15.0	100	95	Microsoft	0.00	0.0	15.0
80	75	Apple	0.00	0.0	15.0	80	75	Apple	0.00	0.0	15.0
60	55	Oracle	0.00	0.0	15.0	60	55	Oracle	0.00	0.0	15.0
40	35	Amazon	0.00	0.0	15.0	40	35	Amazon	0.00	0.0	15.0
20	15	Google	0.00	0.0	15.0	20	15	Google	0.00	0.0	15.0

A DISTINGUISHED ADDRESS
Not to be confused with the next-best address



One of the most important decisions for your assets is your choice of bank. We are specialized in asset management. Our services are universally tailored to clients' personal needs. We have made this wealth of experience our calling. So it is easy to see that not any bank will do. Please call Mr Sergio Verardi. Tel. +41 283 73 92, for more information.

BANK VONTobel
Zürich

سكدا من الامم

هكذا من الأمل

NYSE

Tuesday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.

Table with columns: High, Low, Stock, Div, Yld, PE, High, Low, Last, Change. Lists various stocks and their prices.

Table with columns: High, Low, Stock, Div, Yld, PE, High, Low, Last, Change. Lists various stocks and their prices.

Table with columns: High, Low, Stock, Div, Yld, PE, High, Low, Last, Change. Lists various stocks and their prices.

Table with columns: High, Low, Stock, Div, Yld, PE, High, Low, Last, Change. Lists various stocks and their prices.

Table with columns: High, Low, Stock, Div, Yld, PE, High, Low, Last, Change. Lists various stocks and their prices.

Table with columns: High, Low, Stock, Div, Yld, PE, High, Low, Last, Change. Lists various stocks and their prices.

For investment information read THE MONEY REPORT every Saturday in the IHT

ADVERTISEMENT

INTERNATIONAL FUNDS

Nov. 23, 1993

Quotations supplied by funds listed. Not all fund quotations are included in the funds listed with the exception of some quotes based on issue prices. The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (m) - monthly; (q) - quarterly; (a) - annually; (s) - semi-annually; (y) - yearly.

Table listing various international funds with columns for fund name, share price, and other details.

Table listing various international funds with columns for fund name, share price, and other details.

Table listing various international funds with columns for fund name, share price, and other details.

Table listing various international funds with columns for fund name, share price, and other details.

For information on how to list your fund, fax Simon OSBORN at (33-1) 46 37 21 33.

ASIA/PACIFIC

Canberra In Uproar at Canadian's Media Stake

Canberra — Prime Minister Paul Keating just off the plane from Seattle, ran into a political brawl Tuesday over his decision to let the Canadian media baron Conrad Black increase his stake in the Fairfax newspaper company.

The Trashing of Indonesia Illicit Plastic Waste Curbs Recycling

By Michael Richardson International Herald Tribune

JAKARTA — Spungdo knows little about the high-tension negotiations that are intended to produce an accord by mid-December on liberalizing world trade. But he is adamant that Indonesia's policy banning imports of plastic waste from the United States, Europe and other industrialized nations must be maintained.

cheaper, better sorted and less used than Indonesian material. Yet trash collectors such as Mr. Spungdo "provide Indonesian cities with valuable free recycling services which keep the environment clean and save municipal authorities millions of dollars annually in waste disposal costs," said Ita Rachmita.

Factories prefer Western plastic.

researcher at the Indonesian Forum for the Environment, a non-government organization. Following protests from representatives of an estimated 200,000 trash collectors in Indonesia, the government banned import of plastic scrap a year ago.

They said that in 1992 alone, the United States exported more than 14,000 tons of plastic waste to Indonesia.

The social and environmental impact of plastic recycling programs is little known by people in waste-exporting countries," said Andreas Bernstorff, a campaigner for Greenpeace in Hamburg. "People in Germany are told that their plastic wastes are being recycled in an orderly fashion, but their so-called recycling system is turning Indonesia into a rubbish tip."

Asian Stocks Skid on Fears Over U.S. Rates

HONG KONG — Stock markets skidded throughout Asia on Tuesday, with most exchanges closing sharply lower as investors looked in profits over fears that a rise in U.S. interest rates might end the recent boom.

Local markets, led by Seoul, Sydney and Hong Kong, followed the direction of London and Wall Street on Monday, which had also dropped on concern over rising U.S. rates.

battered, with the NZSE-40 index dropping 28.53 points, or 1.38 percent, to close at 2,044.80.

The region's shares had recently staged a bull run as U.S. investment funds, followed by Japanese investors, poured money into regional markets to capture higher returns than they could get at home. But rising rates might cause a flight of capital to the United States, brokers said.

Investor's Asia

Table with columns for Exchange, Index, Tuesday Close, Prev. Close, and % Change. Includes data for Hong Kong, Singapore, Tokyo, Sydney, Kuala Lumpur, Bangkok, Seoul, Taipei, Manila, Jakarta, New Zealand, and Bombay.

Sources: Reuters, AFP International Herald Tribune

Very briefly:

- DHL Worldwide Express Ltd. said its venture in China would open seven more offices and be the first joint venture in the country allowed to provide a domestic courier service.

Australia Brakes Super Share Plan

Canberra — Australia's attorney general, Michael Lavarch, said Tuesday that the government would intervene if the stock exchange acted too rapidly on News Corp.'s proposal to issue shares with extra voting power.

VW Bids for Vietnam Plant

HANOI — Volkswagen AG and the steelmaker Thyssen AG offered Tuesday to produce cars and automobile parts in Vietnam, joining a long list of foreign manufacturers bidding to make vehicles here.

Mr. Posth said Volkswagen, which already has a Shanghai plant, hoped to move into Laos and Cambodia if it established an operation in Vietnam.

Mr. Posth was a member of a German trade delegation.

Taiwan Set To Absorb Investment

TAIPEI — Three Taiwan investment-trust companies said Tuesday they expected to receive regulatory approval by the end of December to raise almost \$500 million of foreign funds for investment on the local stock exchange.

Managers at the trust companies said they hoped to benefit from increasing foreign interest in Taiwan's stock market, fueled by a flood of funds into regional exchanges and by Taipei's plans to ease restrictions on foreign investment in equities.

New funds could mean a large expansion for mutual funds managed by four major local trust companies.

Managers at the trust companies said they hoped to benefit from increasing foreign interest in Taiwan's stock market, fueled by a flood of funds into regional exchanges and by Taipei's plans to ease restrictions on foreign investment in equities.

Virgin Sees Eventual Split And Service to Singapore

HONG KONG — Virgin Atlantic Airways is likely to expand services to Singapore next year, but the airline may be split in three to keep it from getting too big, its chairman, Richard Branson, said Tuesday.

Mr. Branson also promised a price war on the London-to-Hong Kong route, which Virgin is to begin serving Feb. 22, and criticized the chairman of Cathay Pacific Airways, who reportedly asked Virgin to avoid a competitive clash.

COMPANY RESULTS

Table with columns for Company Name, 1992 Revenue, 1992 Profit, 1992 Per Share, 1993 Revenue, 1993 Profit, 1993 Per Share. Includes companies like Allied-Lyons, Matsushita Electric Ind., Sony, etc.

POWER: Hopewell Holdings Offers a New Kind of China Investment

Continued from Page 9

ing a power plant in exchange for an attractive long-term lease, in which the company runs the plant and collects the profits.

Mr. Wu, the managing director, will apply for half of the shares being offered, but he will have a lower allocation priority than any other applicants, the company said.

Mr. Wu, the managing director, will apply for half of the shares being offered, but he will have a lower allocation priority than any other applicants, the company said.

CURRENCY AND CAPITAL MARKET SERVICES

Advertisement for Currency Management Corporation Plc, offering foreign exchange and gold services, with contact information for London and Hong Kong.

INTERNATIONAL CLASSIFIED

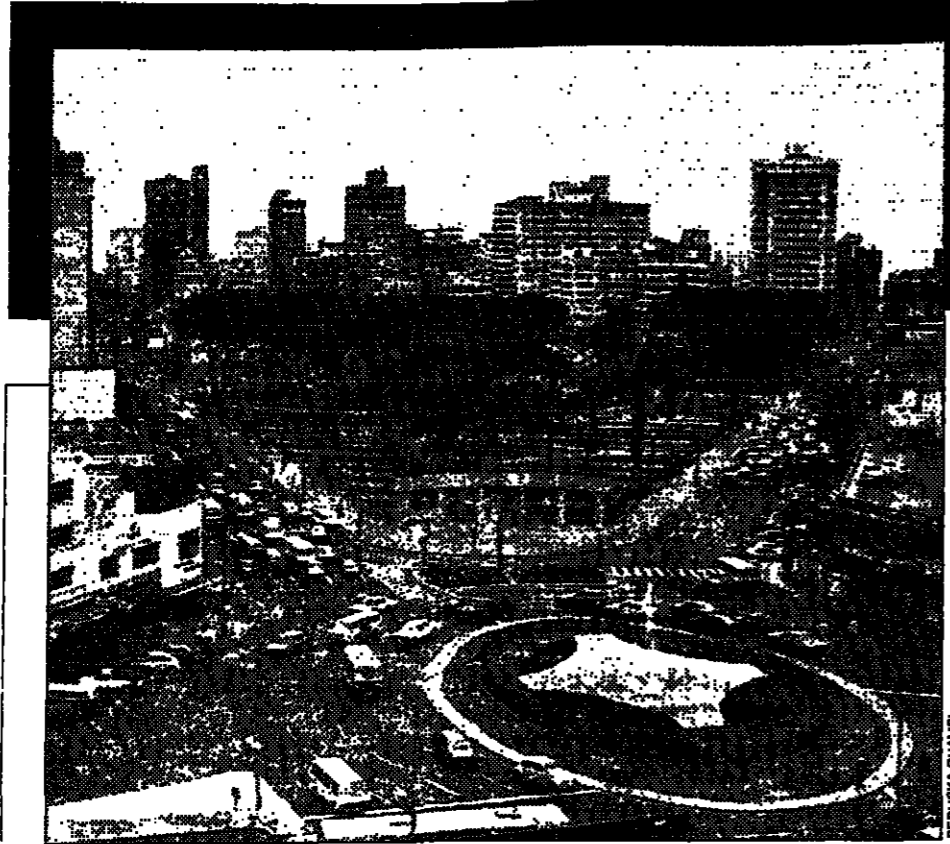
Advertisement for AGS Int'l Moving, Interdean International Moving, and Automobile Market, including car sales and shipping services.

Advertisement for Real Estate Investments, featuring properties in Paris, Monaco, and other international locations.

Advertisement for Paris La Defense 1, Agence Champs Elysees, Home Plaza Marais, and other real estate listings.

Advertisement for Herald Tribune, offering international classifieds and travel services, with contact information for various offices.

PERU



Lima is ready to welcome foreign investors now that Peru has embarked on a dramatic economic turnaround.

AN ECONOMIC COMEBACK

In the three-and-a-half years since President Alberto Fujimori took over a country battered by hyperinflation, a zero credit rating and one of Latin America's most violent insurgencies, Peru has, according to many observers, made a remarkable comeback in the face of almost unsurmountable odds.

"We are beginning to feel the recovery," says Rafael Venegas, managing director of Citibank NA.

Mired in a deep recession, the economy, which shrank 2 percent in 1992, is predicted to grow 6 percent this year and to take off next year.

Although efforts to put the country in order started in 1990, Peru's real turnaround began with the capture last year of Abimael Guzman, founder and leader of the Shining Path insurgency. The Shining Path's 13-year-old war against the Peruvian state killed over 27,000 Peruvians and inflicted \$22 billion in damages to infrastructure.

A month after taking office in 1990, Mr. Fujimori unveiled one of the region's harshest economic recovery programs. Inflation that year skyrocketed to almost 8,000 percent, but has dropped steadily since, to 57 percent in 1992 and to an estimated 40 percent this year.

In 1994, inflation is expected to fall to around 27 percent.

Along with the recovery program, dubbed "Fujishock," came sweeping free-market reforms in taxation, social security, public enterprise, tariffs and trade as well as an ambitious privatization drive and laws designed to attract foreign investors to Peru.

Earlier this year, Peru cleared arrears with Washington's multilateral credit banks, making the country eligible for fresh loans for the first time since 1985, when then-President Alan Garcia announced he would limit debt payments to 10 percent of export earnings.

In May, the Paris Club of Western creditor nations agreed to reschedule the \$3.1 billion Peru was due to pay in 1993-1995. Peru owes the Paris Club nearly \$6 billion, just under a third of the country's total foreign debt of around \$23 billion.

In September, Peruvian debt negotiators sat down in New York with a Citibank-led debt advisory committee for preliminary talks on Peru's \$6.3 billion debt to foreign commercial banks.

Continued on page 19



Peru's Pacific orientation is reflected in trade overtures to Asia.

PERU AT A GLANCE

Land area: 1,285,216 square kilometers (514,086 square miles)
Natural resources: Copper, silver, gold, petroleum, timber, fish, iron ore, coal, phosphates, potash
Population: 22.8 million
Languages: Spanish and Quechua (official), Aymara (highlands) and dozens of others spoken by native inhabitants in the Amazon basin
Labor force: 8 million
Government: Republic
Independence (from Spain): July 28, 1821

AN INTERVIEW WITH PRESIDENT ALBERTO FUJIMORI

Alberto Fujimori, Peru's president since 1990, recently spoke about the dramatic moves his government has made to improve the country's economic and business climate.

In your view, who won the constitutional referendum of October 31? Even if it wasn't approved by the overwhelming majority of Peruvians, will you seek re-election in 1995?

I haven't yet decided to run in 1995. Now we have a new constitution, and with that Peru has won - because it will lead us to

total modernization. As to why the constitution won by such a narrow margin, that is not unusual. Here we're used to the president having a very high approval rating: 64 percent nationwide and 70 percent in Lima. It shows that votes can't be transferred from a person to a proposal. But the victory is overwhelming, and within a global context, it is extraordinary. My government plan has been strengthened. I'm going to work more intensely in certain areas, such as education in the provinces and in reconstructing these areas by providing more direct social-welfare programs. In that sense, there is a change in the government plan, which means an improvement in the macroeconomic and social conditions of the country in general.

How do you justify your "self-coup" of April 5, 1992?

The political system demonstrated inefficiency, and so we were trapped. One could neither move ahead with the 1979 constitution, nor could we sacrifice two or three years. In the years that the 1979 constitution was in effect, nothing was done, in spite of the serious risks that terrorism signified. So I think it was a well-justified move.

In many ways, economic stability existed before your self-coup of April 5, yet some investors are still wary because political stability is not as evident. Do you think another April 5 is possible?

With the approval of the new constitution, I don't think that kind of situation could arise. I won't even speculate, because it just won't happen. This constitution not only provides po-

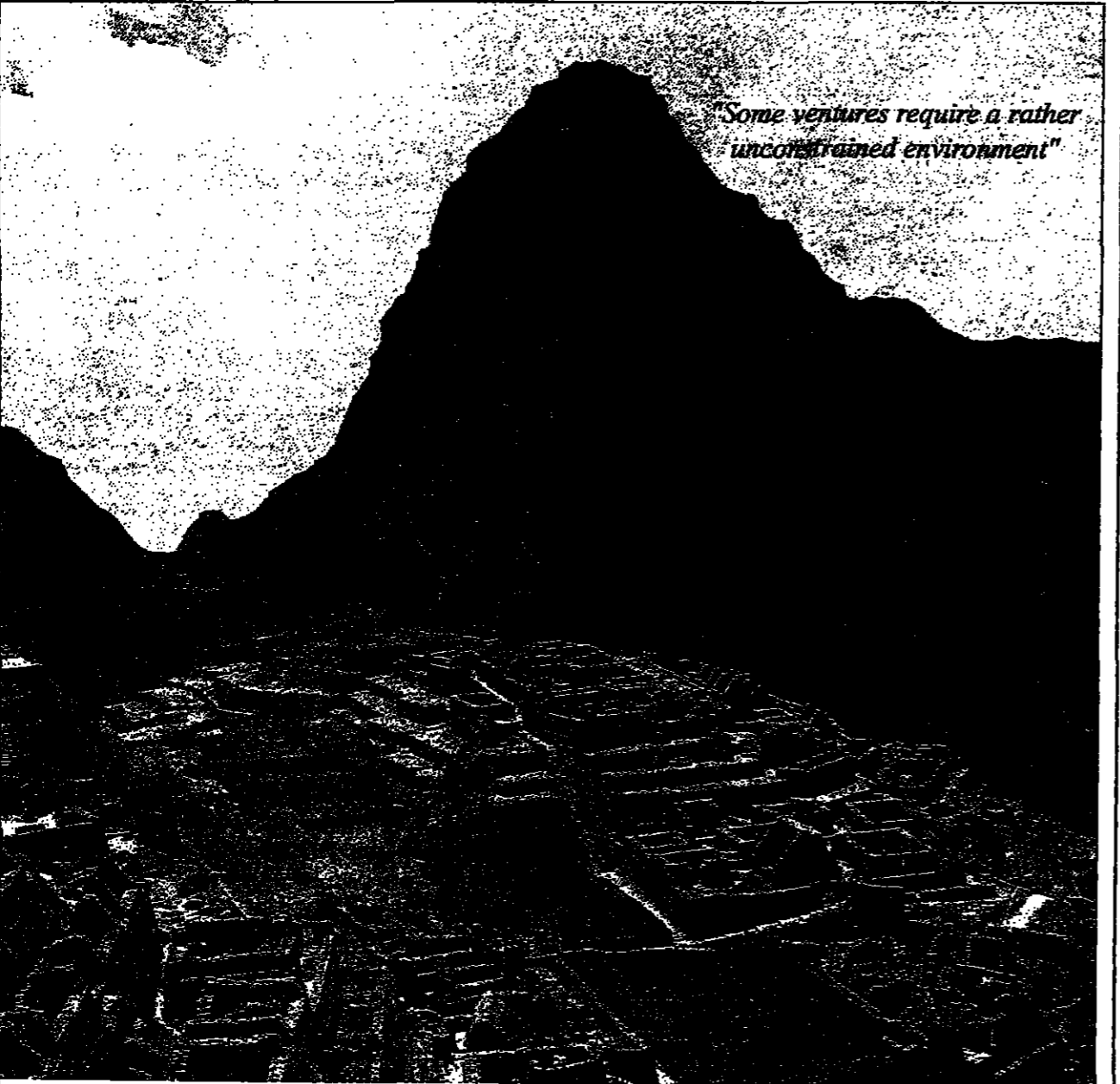
litical stability, but also the economic and financial stability that apparently existed before, but with some reservations.

You have often said that you enjoy being president. What is it you like about your job?

It fascinates me. It fascinates me because I like to confront challenges. I think that's part of my nature, part of my personality. I purposely seek challenges. If everything is peaceful, my life is dull. It depresses me. I like finding solutions



The passage of the constitutional referendum on Oct. 31 was a victory for the Fujimori government.



"Some ventures require a rather unconstrained environment"

Freedom to operate in a free market economy - Freedom to enjoy the same legal treatment as nationals - Freedom to invest in any business, economic sector or activity - Freedom to transfer abroad in hard currency capital gains, profits, and royalties - Freedom to trade stocks and obtain tax-free returns in one of the most profitable hours in the world - Freedom to apply for concessions to build and manage public facilities and supply public utility services - Freedom to participate in the privatization of state-owned mines, ports, banks, and telecom, electricity and oil companies - Freedom. We really mean it.

LOOK AGAIN AT PERU. A BREATHTAKING OPPORTUNITY.

prom peru

Phone (5114) 406457 Fax (5114) 415844

We reach all consumers in Peru

THROUGH SEVEN RELIABLE COMPANIES AND ONLY LEADING PRODUCTS AND SERVICES

- GLORIA S.A.**
Dairy products leaders
Largest dairy industry (formerly Carnation),
condensed evaporated and instant powder milk.
- P & A NANAFRIA**
Ice cream and chocolate leaders
Largest ice cream, chocolate and candy industry.
- Centro Papelero s.a.**
Growing leaders in packaging
Paper, board and corrugated cardboard boxes.
- JOSE RODRIGUEZ BANDA s.a.**
Transport leaders
Largest surface transportation fleet, covering all Peru.
- DEPRODECA**
Distribution and sales system covering all Peru (50,000 registered selling points).
- NANAFRIA**
Complementary trader (in-country and outside of the country).

FARPASA
Leaders and licensees of world leaders
(such as Sterling Health, Sanofi Winthrop, Sydney Ross and Valmont Inc.)
Pharmaceutical products (ethicals & OTC), and personal care products.

Grupo Rodríguez
Main office: Av. República de Panamá 2461, Lima 13, Perú
Phone: (5114) 709990 Fax: (5114) 705017
Please contact Mr. Felipe Gutiérrez.

سكزا من الأمل

ADVERTISING SECTION

ADVERTISING SECTION

PRIVATIZATION GENERATES CASH AND COMPETITION

The atmosphere was tense as privatization officials waited to collect sealed bids for the Cerro Verde copper mine. With falling world copper prices, who would take the risk?

The winning and only bid came from U.S. mining company Cyprus Minerals with a \$37 million cash offer — \$7 million over the base price — and a pledge to invest \$485 million in the mine over the next five years.

Cerro Verde's sale on Nov. 10 marked the third privatization this month and the 19th since Peru launched its sweeping privatization drive in 1991, linchpin to the free-market reforms announced by President Alberto Fujimori in August 1990. Another 50 companies are slated for the auction block in 1993 and 1994.

Since the United Nations Development Program and World Bank-funded privatization program began in late 1991, the state has raked in over \$500 million in cash and more than \$1 billion in promised investments.

Carlos Montoya, executive director of Copri, the commission in charge of private investment that orchestrates privatizations, expects to make an additional \$1.5 billion by next March.

Despite all the initial hoopla, privatization lost its momentum this year, and until the recent sales of Banco Popular, Transoceanica and Cerro Verde, no major company had been privatized since January. Mr. Montoya admits that mistakes have been made, but these have turned Copri into a more efficient privatizer. "It's amazing," he says, referring to glitches that held up some sales. "People are in such a rush to get their offers in that they even forget to sign the papers."

In 1990, state-owned companies chalked up losses of \$2.5 billion. "Before, the state dedicated itself to being an impresario," says Alfonso Bustamante, the minister of industry and prime minister. "Now, with a new constitution, the state has redefined its role. It can't invest resources in things that aren't funda-

mental like health, education or welfare."

In a bid to make companies more attractive to potential buyers, committees charged with privatization trimmed bloated payrolls by introducing voluntary redundancy programs. In companies with foreign creditors, the government has taken on their debt.

Cerro Verde, for instance, reduced its work force from 1,300 to 785 workers, and the government assumed the mine's \$7 million debt. Hernan Baretto, chairman of Centromin, the mining, smelting and refining behemoth scheduled for sale early next year, turned Centromin's finances around from a \$174 million loss in 1991 to a \$19 million profit after taxes last year.

Centromin's sale will probably be postponed until 1994 as Congress fine-tunes legislation that will allow debt-swap mechanisms to be used in privatizations. Debt-for-equity swaps also hinge on the outcome of negotiations with the country's commercial bank creditors, holders of Peruvian debt paper.

The race is heating up as some of the hottest properties go up for sale late this year and into 1994. Leading the pack are a slew of telecommunications companies expected to bid for Peru's Telecom. The main contenders are Spain's Telefonica and Southwestern Bell. Other potential buyers include GTE, AT&T, France Telecom and Cable & Wireless.

Owning a phone company is good business, investors say. It offers new

owners a chance to buy into a built-in monopoly with a huge potential customer base. Indeed, Peru has one of the lowest densities of phone lines in Latin America, with 2.53 lines per every 100 inhabitants.

The real key to any successful privatization is not who pays more, but how much the new owners are committed to spending on developing the property. In state-owned mining properties, investment commitments are especially high

because of decades of mismanagement, overstaffing and inadequate investment in up-to-date technology.

When Shougang Corp. in Beijing purchased the Hierro Peru iron mine for \$120 million, it also promised \$150 million in investments. Production at the mine has doubled since Shougang took over earlier this year.

Mantos Blancos, the Chilean subsidiary of South Africa's Anglo-American Corp., which bought the unexploited Quellaveco copper deposit in southern Peru for \$12 million, re-

cently announced plans to invest over \$500 million in developing the mine. Highlights of successful privatizations include the sale last January of flag carrier Aeroperu to an Aeromexico-led partnership for \$25 million, the early November purchase by Peru's Financiera de Credito of the Banco Popular's Bolivian subsidiary for \$6 million and the sale of Transoceanica, a fleet of oil tankers, to Glenpoint Enterprises Inc., a Chilean-Peruvian partnership, for \$25 million.

Luis Hidalgo, chairman of Banco Continental and

president of Interbanc's privatizing committee, says banks are just as attractive as mining properties, especially as banking in Latin America becomes increasingly regional. The sale of both banks early next year is being handled by Credit Commercial de France.

While other countries selling money-losing state companies ran up against a lot of flak, Peru, notes a foreign observer, never had any strong opposition. "There was widespread consensus. It has been well-managed politically." A.V.H.

GETTING ON BOARD THE ECONOMY IN A SHORT TIME

Carlos Montoya, executive director of Copri, the Commission for the Promotion of Private Investment, recently spoke about his organization's achievements and prospects.

How would you gauge the investor interest shown so far in Peruvian privatization?

Privatization is glitzy. Of course, the kind of novelty privatization presented at first is gone. Now it has become something widely accepted. It is important to the country, and investors see it as a way to get on board an economy, and get on board quickly. If you invest in a greenfield project, it will take three or four years for construction, and then you'll start making money a few years after your investment. Here you get what you purchased, and in no time you're up and running and making money — because these companies are good. Those that are not good, in the sense of having potential, are liquidated. We have what we call entrepreneurial discipline. The activity that doesn't work won't work in private hands just because it's private. It won't work ever. What's the sense of keeping it?

How much has been made from privatization since the process began, and how much does the government still expect to make from upcoming sales?

Up to now, we have made about \$460 million. Investment commitments are to the tune of \$710 million, and on top of that, we have some \$20 million or \$30 million that has already been invested outside of the commitments. By March 1994, we should have made an additional \$1.5 billion.

Now that privatization is under way and many companies — both newly privatized ones and those in the run-up to the sales — are in the black, in what other ways has the country benefited?

The benefits of privatization are not really in selling the company. It's what the company does after it's sold. That's what we claim all the time. Take Aeroperu [purchased in January by an Aeromexico-led partnership for \$54 million]. It has a new fleet, new management. Shougang Corp. [the Beijing-based steelworks that bought the Hierroperu iron ore mine for \$120 million] has stuck to its investment commitment schedule and doubled production. I think these are success stories. I can't say all the [privatized] companies are making money, but most are.

What is the government doing with the proceeds from privatization?

The government is financing part of its fight against poverty with this money. It is earmarked by law for this purpose. Copri's mandate, in fact, ends when we deposit the proceeds of the sale in a Treasury account.

How many state employees have been laid off as a result of privatizations?

People believe that privatization breeds unemployment, which it doesn't. What happened is that these companies were grossly overemployed, and even if they had been kept by the state, in order for them to survive they would have had to trim down the labor force to whatever is necessary for efficient production. That's what the government did, and then it privatized them. We have a voluntary redundancy program, which is different from being fired. Workers are given a chance to leave with an incentive in addition to their benefits.

Is the government planning to use debt-for-equity mechanisms for future privatizations?

Congress has approved the draft law that would permit the use of debt-for-equity swaps for privatization. As Finance Minister Jorge Camet said, we don't have cash to pay for our

debt, but we do have assets, so it's the logical way to go. We think Centromin [the large mining complex up for sale later this year] would be one of those that would benefit from the use of debt paper. It's a difficult company. Electrolima, even though it has as high or a higher price tag than Centromin, is a company that is much more attractive. First, it produces cash from day one. It has a very stable demand, with a very stable pricing system. You don't have to get all kinds of safety measures to be able to make money, whereas at Centromin you have a company that has difficult operations and major environmental prob-

lems that have to be overcome. That takes time and money. We believe the price of Peruvian debt paper — roughly 50 cents on the dollar — is relatively high. In 1990, it was less than four cents on the dollar. Debt swaps are necessary because they enhance demand and provide support for those we're interested in attracting — top-notch operators. They're not really interested in shelling out a lot of cash for companies. They're interested in putting in enough money to gain adequate control and have others on their side who are more financial investors.

Interview by Adriana von Hagen



Upcoming privatizations are fueling Lima's bull market.

Company	Base price	Sale price	Buyer	Date sold
Banco de Comercio	\$5.4 mn	\$8.4 mn	Peruvian investors	June '92
Hierroperu	\$22 mn	\$120 mn	Shougang Corp. Beijing	Oct. '92
Quellaveco	\$9 mn	\$12 mn	Mantos Blancos	Dec. '92
Aeroperu	\$41 mn	\$25 mn	Aeromexico-led	Jan. '93
Banco Popular	\$3.5 mn	\$6 mn	Financiera de Credito	Nov. '93
Petrolera Transoceanica	\$2.5 mn	\$25 mn	Glenpoint Enterprises Inc.	Nov. '93
Cerro Verde	\$30 mn	\$37 mn	Cyprus Minerals Co.	Nov. '93

*Net sum paid for 88% transferred to the private sector after debts. Source: Copri

INTERVIEW WITH PRESIDENT FUJIMORI

Continued from page 16

Your detractors say your management style is authoritarian and that you confuse governing with giving orders. How would you rate your management skills?

The success of a job is measured by its results. Those results are evident in all areas: terrorism is on the verge of being eradicated, financial isolation has been overcome, hyperinflation is under control, social programs are reaching the people as never before, investments are being carried out efficiently. All this is done by delegating, but at the same time, one has to be vigilant. I have to give di-

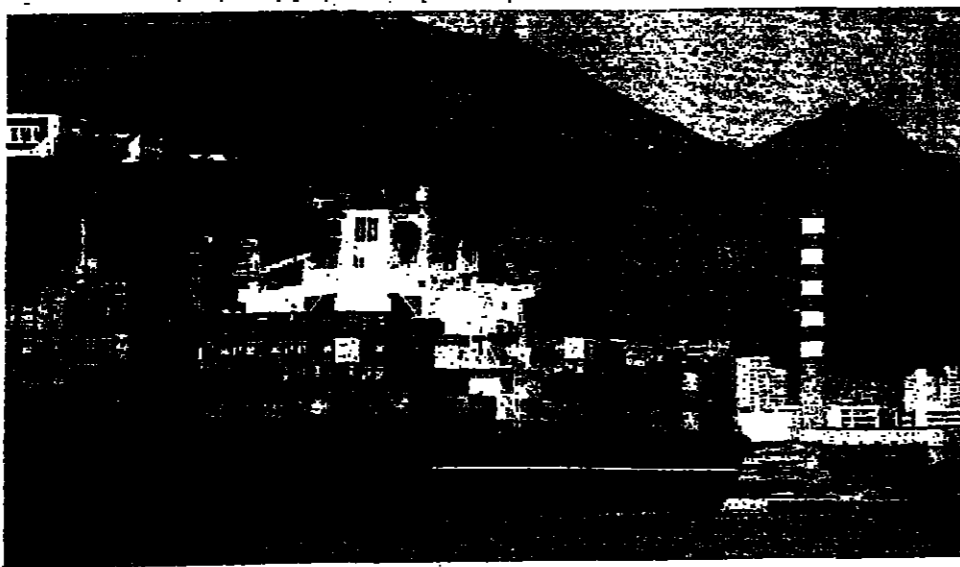
rections, and some people confuse this with giving orders. But the directions have to be clear, because in this government there are no positions of doubt.

You have made tremendous strides in pacifying the country, especially now that the leaders of the Shining Path and the Tupac Amaru Revolutionary Movement are behind bars. Who is the architect of your antiterrorism strategy?

False modesty aside, I designed it personally. I've managed all aspects of the antiterrorism strategy: judicial, penitential, military, intelligence and psychological. The directions are very clear. Furthermore, to go from the repressive strategy that I encountered to the strategy of getting closer to the people has been a monumental task.

Interview by Adriana von Hagen

Some signs carry authority anywhere in the world



BIVAC INTERNATIONAL
2041 Place La Defense
FRANCE
Tel. 33 (1) 47 17 69 00
Fax. 33 (1) 43 39 62 00

BIVAC DEL PERU
Av. Camero y Avenida 305
- Piso 6 - SAN ISIDRO
LIMA 27 - PERU
Tel. 51 (01) 74 49 01 / 48 11
Fax. 51 (01) 44 44 20 / 14 69

Experts in safety and quality to prevent imports and exports risks

BIVAC is a Bureau Veritas Group company



A world of opportunities

Peru, a country of ancient culture, but also a whole world of opportunities.

If you wish to do business and develop new investment opportunities, rely on COFIDE, the corporation that can successfully act as bridge between your business and Peru.

COFIDE is a Peruvian Development Bank whose function is to contribute to the development of national investment and production by obtaining financial resources, to be assigned together with its own resources through the financial intermediation system, to the promotion and financing of investment projects, development of new enterprises and support to the existing ones.

Av. Camino Real 390 - Lima 27, PERU
Tel.: (5114) 42 2550 - Fax: (5114) 42 3374.

COFIDE
CORPORACION FINANCIERA DE DESARROLLO S.A.

FOREIGN COMPANIES ARRIVE TO LOOK, STAY TO INVEST

What do a gold mine on a barren highland 4,000 meters above sea level and a department store in a posh Lima neighborhood have in common? Both are open today because foreign investment in Peru is finally on the upswing, powered by an investor-friendly legal framework.

Peru is going after foreign investment with a vengeance, sending trade missions to comb the globe and rewriting its entire economic code, and the effort is starting to pay off. According to the Central Reserve Bank, direct foreign investment rose from \$127 million in 1992 to \$207 million in the first trimester of 1993.

"There's an awful lot of people coming in for a look around," says Michael Donovan, general manager of the American-Peruvian Chamber of Commerce, "at least 80 percent more than last year."

Part of the credit for these investment successes goes to the government's privatization drive. According to Carlos Montoya, head of the government committee to promote private investment, and the country's privatization czar, sales of state-owned companies have so far brought in \$475 million in hard cash and \$710 million in investment commitments.

New legislation, and the new constitution approved in a referendum on Oct. 31, are also part of the government's no-holds-barred effort to put the free market to work in Peru.

The Foreign Investment Promotion Law guarantees foreign investors the same rights as domestic investors. The new legislation also allows investors to freely remit in hard currency all their profit and capital and to invest in any economic activity. Foreigners can also participate in banking, insurance and reinsurance, and carry overseas insurance policies. Mr.

Montoya says the law is only part of Peru's new magnetism for investors. "Investors need a confluence of elements, including security," he points out.

The government has also drastically simplified the maze of procedures that once complicated international trade. Peru now has only two tariffs, 15 percent and 25 percent, and more than 90 percent of imports enter at the 15 percent rate.

Tariff reform was the green light one Chilean company needed to move into Peru. Last April, Santa Isabel, a Chilean supermarket chain, bought 85 percent of the shares in the ailing Peruvian chain, Scala. Santa Isabel, which owns 22 supermarkets in Chile, was looking for a place to grow. As Santiago was saturated with 300 supermarkets, it looked to Peru.

"In Peru, there's an enormous market, but it had migrated to the contraband markets," says Philip Munn, Santa Isabel's Peruvian partner and the company's general manager. "With the new laws, that's changing."

Nonetheless, it is mining, which represents 41 percent of Peruvian exports so far this year, that leads the way in the investment boom. "Investors in natural resources - mining, petroleum - are used to high-risk situations," says Francisco Sagasti, a consultant and former World Bank official. "They will go anywhere in the world, provided you have the right combination of natural resources and economic policies."

The growth of mining investments began in 1991, when the veteran Southern Peru Copper Corporation announced a five-year, \$300 million investment program. Southern expects to increase Peru's copper production by 9 percent annually.

Another major investment in mining came last year, when the Newmont Mining Corp. of Delaware

announced that, along with its French and Peruvian partners, it would invest \$36 million in the Yanacocha gold mining concern.

"Everybody has always known that Peru has tremendous mining potential," says Newmont's Leonard Harris. "But to our mind, they just didn't want foreign investment under the previous government. That's all changed."

Peru has also turned into a magnet for short-term investments in the stock market. Value traded has nearly tripled, from \$200 million in 1991 to \$550 million in 1992, and this year promises to hit \$1.5 billion. Mr. Sagasti, however, warned that these investments are a "mixed blessing," which may disappear as quickly as they have arrived. "Bona fide medium- and long-term foreign investment in manufacturing, agriculture," he says, "these are the ones you want to attract."



New opportunities for natural-resources investors.

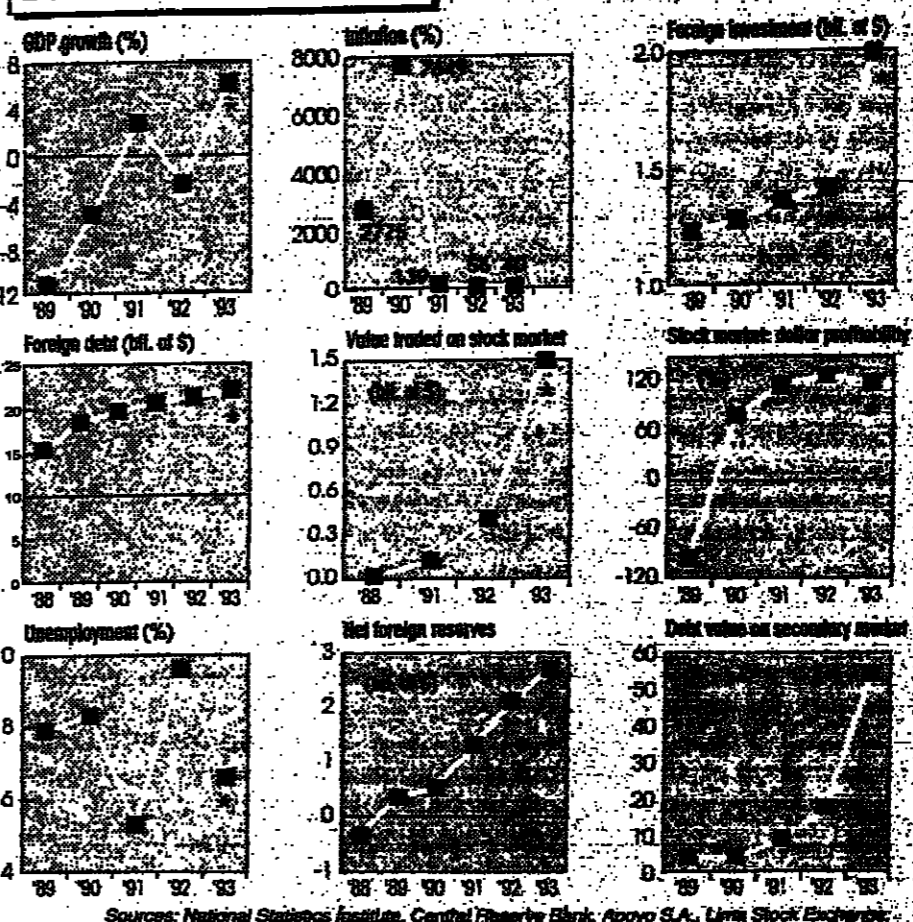
The government has not sat back and waited for investors to come along. Trade missions composed of government and private-sector officials, including the president, have visited Europe and Asia. After an early June Asian sweep that included South Korea, President Alberto Fujimori announced that Daewoo Motors would install an assembly plant in Peru with the capacity to turn out 20,000 cars per year.

The government has also set up a new agency, Promperu, to boost Peru's

reputation among investors and tourists overseas and give it what Mr. Montoya calls "the image of a major turnaround, and of total commitment."

COFIDE, or the Corporación Financiera de Desarrollo, formerly a financial agent of the government, has changed its role. It now acts as a bridge, or "second floor" bank, obtaining financing through multilateral organizations and making it available to private banks as credit for their own clients. Corinne Schmidt-Lynch

ECONOMIC INDICATORS



Sources: National Statistics Institute, Central Reserve Bank, Apoyo S.A., Lima Stock Exchange.

SURGING STOCK MARKET SET TO EXPAND AND MODERNIZE

The informal traders milling around the doors of Lima's stock exchange belie the multimillion-dollar transactions taking place inside. "They're just another one of this country's idiosyncrasies," says José Luque, president of the Lima Stock Exchange.

Turnover on the steps of the exchange represents only a small fraction of the \$12 million that changed hands inside the bourse every day in October. After nearly tripling from \$200 million in 1991 to \$550 million last year, value traded on the Lima exchange topped \$1 billion in September, and some analysts expect it could reach \$1.5 billion by December.

Dollar profitability, meanwhile, surged from minus 95 percent in 1988 to 127 percent in 1992, with brokers estimating profitability this year at 118 percent. As a result, the once-dor-

mant Lima exchange became the world's second-best performing market last year. Like that of other emerging markets, Lima's rapid growth is powered by a handful of blue chips: breweries, banking and the Lima telephone company, CPT.

With stocks booming, the trading floor is so crowded that Mr. Luque is finalizing plans to move the exchange to larger quarters early next year. Expansion plans also include new commodities and futures markets and an electronic bond market.

The Lima bourse, which pockets a cut of total trade, has earmarked this year's estimated \$800,000 in revenue for its expansion plans, expected to total around \$3 million. The balance will come from a \$2 million loan the exchange is negotiating with the Inter-American Development Bank.

Despite the boom, the number of shares traded remains the same. The number of daily transactions, however, has risen from 80 a year ago to 1,300. "Now some 2,000 people feed off the same menu," Mr. Luque says.

Meanwhile, Citibank NA has opened a brokerage firm, Citicorp Peru S.A., which represents 120 clients, including Merrill Lynch and Solomon Brothers. Citibank was the only foreign bank that weathered the turbulent years of former President Alan Garcia's erratic economic policies and unsuccessful attempt to nationalize the banking system.

"We've never seen anything move so fast," says Citibank's managing director, Rafael Venegas, referring to Peru's economic turnaround.

Other foreign banks are coming back, too. Earlier

this year, Crédit Lyonnais gained a controlling stake in the Banco de Lima, while Lima's financially troubled Financiera Nacional went to its major creditors, Chile's Banco O'Higgins and the Netherlands' ING Bank. The Bank of Boston also plans to open a Lima office.

Citibank holds a 20 percent stake in Profuturo, a private pension fund administrator, or AFP, one of eight that have started up since June. Designed to eventually replace the state-run social security institute and modeled on neighboring Chile's highly successful 12-year-old effort, Peru's AFPs already administer \$15 million in savings.

The AFPs will not only guarantee secure pensions to Peruvian workers, but also boost the stagnated Peruvian economy by generating forced savings that

AFP's will invest in the stock market, bonds and other securities.

"By creating new financial instruments, Peru will truly become an emerging market," notes Augusto Mouchard, head of the Pension Fund Superintendency, a government regulatory agency.

Upcoming privatizations, some of which will go through the Lima stock market, are also fueling Lima's bull market. CPT and Entel, Peru's two telecommunications companies, will be sold together early next year. Demand by a few large overseas buyers led to wild price fluctuations in October.

"When the speculation is over and the spread goes down, if you're not 100 percent professional, then you're in trouble," Mr. Venegas says. Since the government privatized the Lima stock market in 1992,

high profitability has attracted more and more investors.

Conasev, the stock and securities commission, has promised to institute same-day payments on the exchange. The commission will also rule later this year on whether Banco de Crédito, a Lima blue chip, can issue American Depositary Receipts, or ADRs, on the New York Stock Exchange. "ADRs are good if they're well-regulated," Mr. Luque says, "but in an emerging market, ADRs can act like a siphon and suck the market dry."

In the 1960s, several Peruvian companies traded on the New York bourse, but all were expropriated and nationalized following the 1968 coup of General Juan Velasco. The Lima Stock Exchange, like the Peruvian economy, has merely swung full circle. A.V.H.



The Government of Perú, through the Special Committee for the Promotion of Private Investment in INTERBANC (Banco Internacional del Perú), has initiated the promotion process for the sale of its 99.8579% shareholding in the bank. INTERBANC is the fourth largest bank in Perú in terms of assets and deposits and has the second largest branch network in the country. Credit Commercial de France (CCF) and Socimer International Corporation (Socimer) are acting as advisors to CEPRI in the privatization of INTERBANC.

For information and qualification requirements relating to this opportunity, please contact:

Special Committee for the Promotion of Private Investment (CEPRI)
Luis Hidalgo Viacava, President
Av. República de Panamá 3055, C.C. Continental - Of. 20, Lima 27, PERU
Telefax: (5114) 41-9396 / 41-9424

CCF/Socimer-Perú
Guillermo van Oordt
Coordinator
Tel: (5114) 42-9869
Fax: (5114) 41-6422

Socimer-NewYork
Roberto Toso
President
Tel: (212) 446-2777
Fax: (212) 832-5939

CCF-Paris
Francois Lagree
Senior Vice President
Tel: (331) 4070-7040
Fax: (331) 4070-7075

INVESTMENT

YOUR BEST CHOICE IN PERU

PERUVIAN ECONOMY IS GROWING, GROWTH REQUIRES ENERGY, INVEST IN ENERGY,

CENTRAL NORTH INTERCONNECTED SYSTEM ELECTROPERU

GENERATION	
HYDRO	1280 MW
THERMAL	290 MW
TOTAL	1570 MW
TRANSMISSION	
LINES 220 KV	2850 KM
LINES 138 KV	610 KM
TOTAL	3460 KM

electroperu

NATIONAL ELECTRIC SERVICE COMPANY

For further information please call:
Mr. Alfredo Pereyra, Chairman and CEO
Av. Pedro Motta, Lima 29 - PERU
Phone: (5114) 662349 / 992165 Fax: (5114) 663095

سكدا من الأصل

ECOTOURISM AND ANCIENT TREASURES

The colleagues of former Peace Corps volunteer Wendy Hansen raised their eyebrows when she told them she was planning a trip to Peru. They were thinking about what Peru was like last year, or before, she said. After visiting mountain cities in the Andes and the Amazon rain forest near Iquitos, Ms. Hansen concluded, "This is a different country now."

With social problems being brought under control and privatization boosting competition and lowering prices, Peru is fast losing its reputation as the pariah in the South American travel

tourism, it points to a major recovery. Long a tourist mecca thanks to the stone marvells at Machu Picchu, the gold-filled tombs at Sipán and the vast Amazon rain forest, Peru began to lose ground in tourism during the 1980s with the rise of the Maoist Shining Path subversive movement. The industry took a nosedive when a cholera epidemic struck in 1991, and Shining Path's urban bombing campaign in 1992 only made matters worse. Last year, the country's tourism levels dipped to their lowest point since 1972.

Ms. Canale credits the September 1992 capture of Shining Path leader

Bureau, also lifted a virtual ban on package tours to Peru. Victor Tamashiro, head of Kinjo Travel, says that since July his agency's sales have increased 40 percent over 1992. He says he is expecting overall 1993 sales to be 60 percent to 70 percent better than 1992. "We still have a long way to go," he says, "but we're moving up."

Ms. Canale also says that the government has redesigned the role of the state tourism board, Foptur. The board has been drastically streamlined, with staff cut from 280 to just 20. "Foptur no longer gives out endless numbers of small subsidies to tourism," Ms. Canale says. "Instead, we emphasize infrastructure and image." The government created Promperu, a new agency charged with promoting Peru's image to investors and the general public. The government's 1993 budget included \$15 million for tourism projects, \$5 million of which went to Promperu.

Among Foptur's projects to improve tourism infrastructure in Peru are airport renovations and a \$4 million project, financed with a World Bank loan, to revamp the tourist railroad that runs from Cuzco to Machu Picchu.

"We're trying to attract not only tourists, but investment," Ms. Canale says. One of the most promising investment projects is a new five-star hotel in Lima.

Orotels, owner of the South American Oro Verde Hotels, and the Custer Group of Lima will spend up to \$100 million on the 240-room facility.

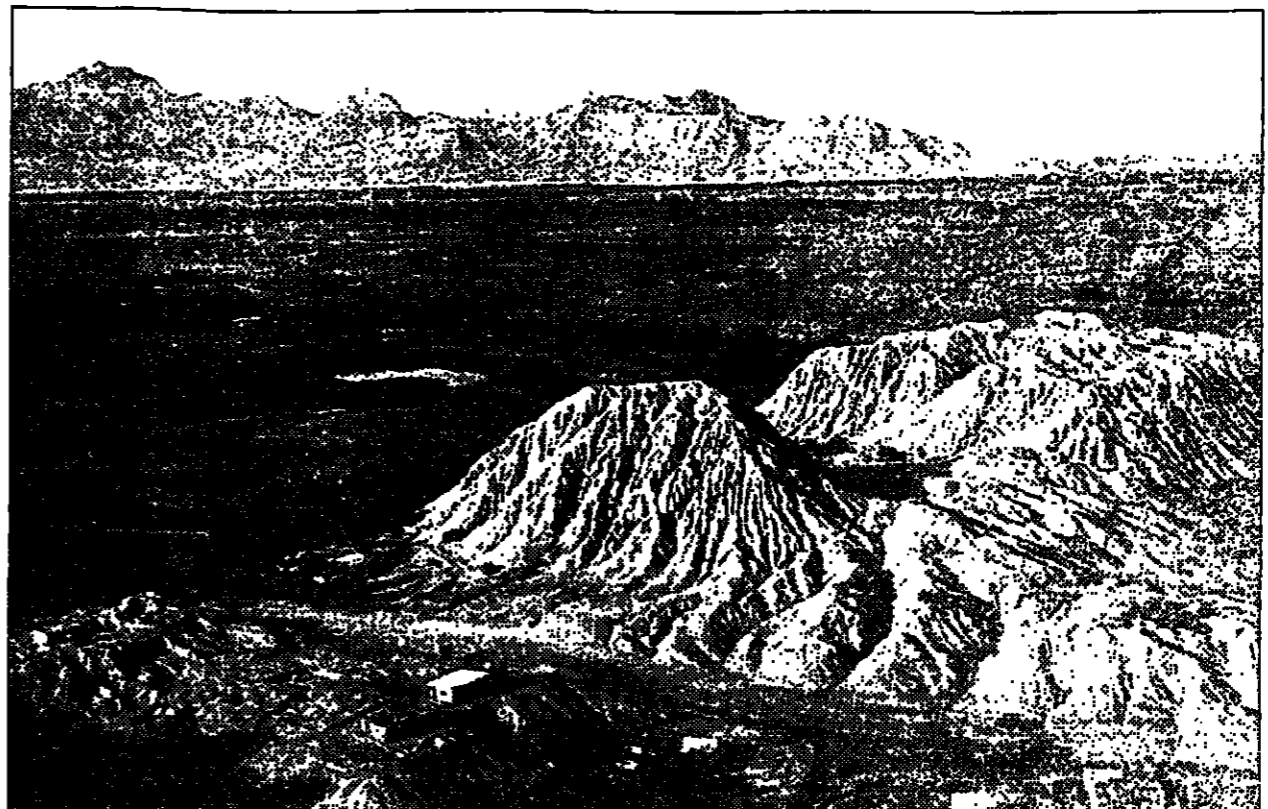
The free market has become the government's lodestar in tourism, as in the rest of the economy. In January, the government sold its airline, Aeroperu, to Aeromexico. The privatization accompanied an airline boom that has sparked a fare war and driven down the cost of both domestic and international flights. In addition to Peru's oldest airline, Faucett, and Aeroperu, there are four

new airlines, all offering regular domestic flights: Aero Continente, Aerommi, Expreso Aereo and Imperial Air.

In another move to put the free market to work, the government plans to privatize Enturperu, a state-owned chain of 45 hotels around the country. One project it expects will be especially inviting to investors is the San Antonio Abad convent in Cuzco, which Enturperu is renovating into a luxury hotel. Cuzco, with its Inca ruins scattered around a spectacular Andean landscape, has long been one of Peru's top tourist attractions.

Throughout the crisis, the industry's steadiest performer has been the rain forest around the northeastern city of Iquitos, perched beside the Amazon river. Hotel occupancy there averages over 33 percent, higher than any other city except Lima. Ms. Canale credits ecological tourism, or ecotourism, and Faucett Airlines' direct Miami-Iquitos flight with the region's success. "The whole world is looking at the Amazon," she says. Ecotourism is beginning to recover in southeastern Peru as well, with new lodges scheduled to open in the less-developed department of Madre de Dios.

Another area that has seen tourism increase is the department of Lambayeque, on Peru's northern coast.



The discovery of the Sipán treasure has boosted tourism in the northern coastal area of Lambayeque.

The discovery in 1987 of a gold-filled tomb from the third-century Moche culture, near the village of Sipán, has boosted the region's fortunes. Private investors have built two modern new hotels in the nearby city of Chiclayo, where Foptur also improved airport infrastructure.

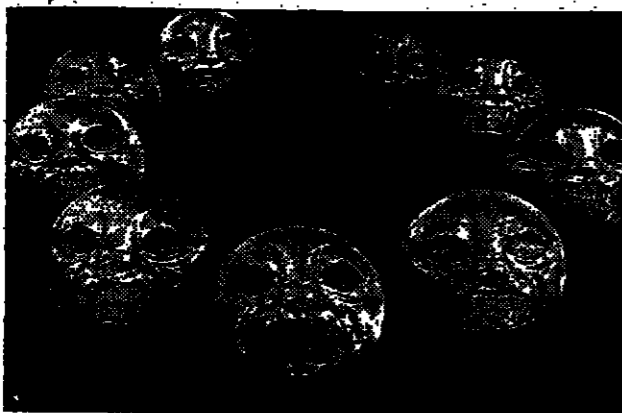
Tourism officials are banking on the Sipán collection's current two-year tour of the United States to

boost the flow of visitors to the area. During the collection's absence, Chiclayo's Brüning Museum, already one of the finest in Peru, will build a new million-dollar wing to house the treasures. The Brüning Museum's director, Walter Alva, the archaeologist who discovered the tomb and saved it from looting, says he is counting on both the tour and the new wing "to be a magnet drawing foreign visitors."

At the Sipán site itself, known as Huaca Rajada, in the countryside south of Chiclayo, the Brüning Museum has filled the tomb with replicas so visitors can see how they were discovered. A small site museum describes both the Moche culture and the tomb's excavation. Investors farther afield also see Sipán as a gold mine. A new hotel is planned in the resort of Tumbes, a half-hour flight from Chiclayo, in the hope

that the combination of beaches and golden treasures will prove irresistible to tourists.

While waiting for the flow of foreigners to return, Foptur is also trying to boost domestic tourism, especially in colonial cities like Ayacucho. In April, its Holy Week celebration drew thousands of Peruvian tourists. For the first time in over a decade, the city's hotels posted no vacancies. C.S.L.



Gold objects from the third-century Sipán tomb, discovered in 1987.

business: "I expect explosive growth next year," says Pablo Lopez, an advisor to the Ministry of Industry and Tourism.

The number of foreigners arriving in Peru in the heavy tourism month of August shot up 40 percent in 1993 over August 1992. According to the vice minister for tourism, Liliana Canale, even though that figure covers all foreign arrivals, and not just

Abimael Guzman and the subsequent decline in the group's fortunes as well as the subsiding of the cholera epidemic with this year's improvement.

Early this year, the United States and Japan revised their government travel advisories to paint a slightly less bleak portrait of Peru. Major international travel wholesalers, like Global Getaways of New York and the Japan Travel

AN ECONOMIC COMEBACK

Continued from page 16
"For 10 years, there was no dialogue at all," says Alfonso Bustamante, minister of industry and prime minister. "Now, everyone is well-disposed to reach an agreement. But there is much to be unraveled."

Putting Peru's economic and social house in order has not been without its reverses, especially after April 1992, when Mr. Fujimori seized near-dictatorial powers in a military-backed "self-coup." Talks with creditors ground to a halt, and many countries froze aid. Bowing to international pressure, President Fujimori called elections in November 1992 to replace the Congress and rewrite the constitution.

The new charter, approved by a 4 percent margin in a constitutional referendum on Oct. 31, provides a "clear, legal framework for investments," Mr. Bustamante says. "Now, Peru's economy is one of the most open in the world."

Foreign investment, stagnant at about \$1.2 billion in 1989 and 1990, has risen to a projected \$2 billion this year. To sustain steady growth, Mr. Bustamante estimates Peru needs about \$5 billion a year in investments. "Foreign investment is coming, and it's coming strong," says Carlos Bolona, who spearheaded

many of the free-market reforms during his two-year tenure as finance minister.

Economists say that speculation on the booming stock market accounts for much of the foreign capital now flooding into Peru. "The kind of investments you want to attract are medium- and long-term investments in manufacturing and agri-business," says Francisco Sagasti, a senior researcher at Grade, a Lima think tank, and a former chief of strategic planning at the World Bank.

The president's reforms, most business executives agree, are very promising in the long term, although in the short term, the model may need some remedial action. Even government advisors concede that tax revenue, now at 10 percent of GDP, has fallen short of its target. "The problem is," says Mr. Bustamante, "that it's not part of our culture to pay taxes."

Others are more optimistic. John Pepper, president of Procter & Gamble, recently announced in Lima that P&G planned to invest \$30 million over the next three years in its Peruvian subsidiary. While admitting that doing business in Peru has been challenging, he adds: "I believe that President Fujimori and this administration are doing an outstanding job."

Adriana von Hagen

Taking its cue from the upswing in tourism, the Las Dunas Hotel, one of Peru's top resort hotels, has launched an expansion program worth an estimated \$400,000. Located in the 330 kilometers (205 miles) south of Lima, Las Dunas already has 106 rooms and recreational facilities including pools, an eight-hole golf course and lighted tennis courts. The hotel is now adding an additional 24 rooms and will build a 20-meter (66-foot) water slide. "We've gone up 35 percent over last year in occupancy," says Eduardo Ronald, the hotel's development manager. "Now that the situation is improving, we can go ahead with the construction." Publicly traded as part of Invertur on the Lima Stock Exchange, Las Dunas has about 700 shareholders. The majority owner is the Picasso

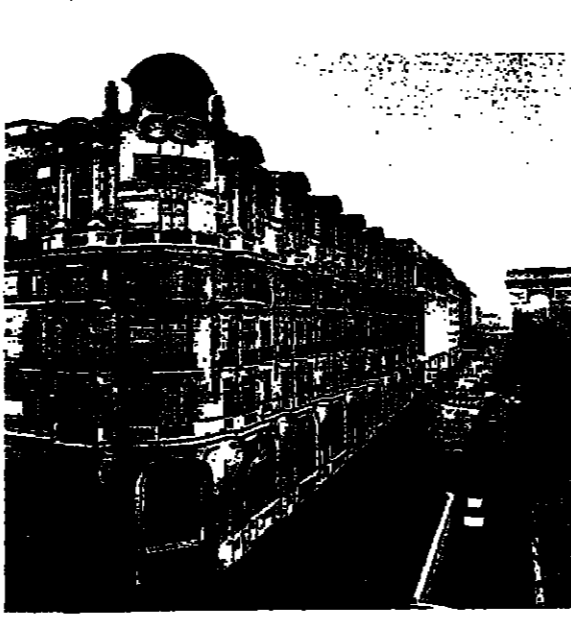
BUSINESS BRIEFS

Group, which owns the Banco Latino as well as another Ica hotel, the renovated turn-of-the-century Hotel Mossone.

Peru's top producer of evaporated milk and ice cream, the Rodriguez Group, which owns the Leche Gloria milk company and the Donofrio ice cream concern, has weathered the country's grinding recession and is now starting to expand. "It was a tough economic adjustment," says the group's director of institutional relations, Jorge Santisteban. "The recession was inevitable, but we've come out of it healthier." In addition to a sharp drop in overall consumption levels, Gloria milk faced a suddenly open market in which competitors

from places like New Zealand and the Netherlands pay only a 15 percent tariff. Gloria's sales fell from a peak of 500,000 boxes in 1988 to roughly 340,000 this year and last. Nevertheless, in July, Gloria bought a yogurt plant in Lima. After a total investment of \$3 million, including the purchase price and re-equipping, the company plans to open the factory next March. Plans are also being made for a second ice cream factory, either in Chiclayo or in Arequipa. To build the factory and to equip a franchise chain, the company will receive a \$5.5 million loan from the Andean Development Corporation. "All our products are aimed at the Peruvian market," says Mr. Santisteban, "and we're showing that though it's still a small market, there's room for growth." C.S.L.

CCF
AVENUE DES CHAMPS-ÉLYSÉES
PARIS



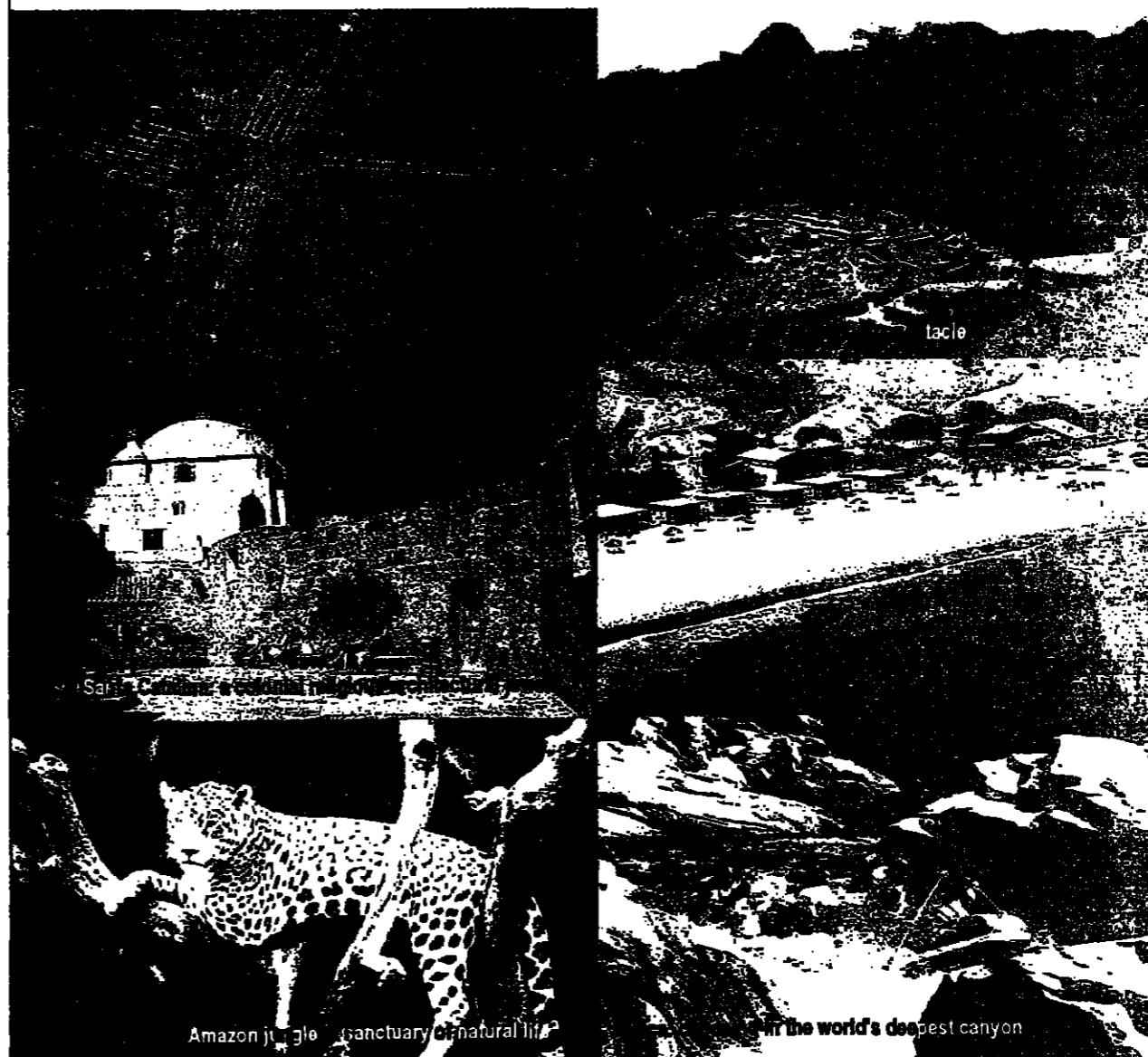
CCF IN PERU
MANDATED TO PRIVATIZE
BANCO INTERNACIONAL DEL PERÚ
BANCO CONTINENTAL DEL PERÚ

CCF, A WORLD LEADER IN
PRIVATIZATION



CRÉDIT COMMERCIAL DE FRANCE

Invest in Perú...



and enjoy it!

For information call (5114) 406178, (5114) 403255, Fax (5114) 415844

HOTELS IN PERU

Sheraton Lima
HOTEL & TOWERS

Enjoy the professionalism of this International Hotel. Ideally suited for business travellers as well as leisure groups.

Paseo de la República 170 Lima 1, Peru.
Tel. 51-14 333320 Fax. 51-14 335844



HOTEL LAS DUNAS
Sun Resort

"At the Doorstep of the Nazca Lines"

- Daily flights from the Hotel's paved airstrip to the spectacular Nazca Lines.
- Large accommodations with terraces and mini-bar, TV and piped-in music.
- Swimming pools, lighted tennis courts and a pitch and putt golf course.
- Horseback riding and dressage.
- Fitness center, massages and sauna, bicycling, jogging, and a mirrored aerobics studio.
- Tours to wine cellars, museums and the National Reserve at Paracas.
- Banquets, low functionality, cool nights year round.

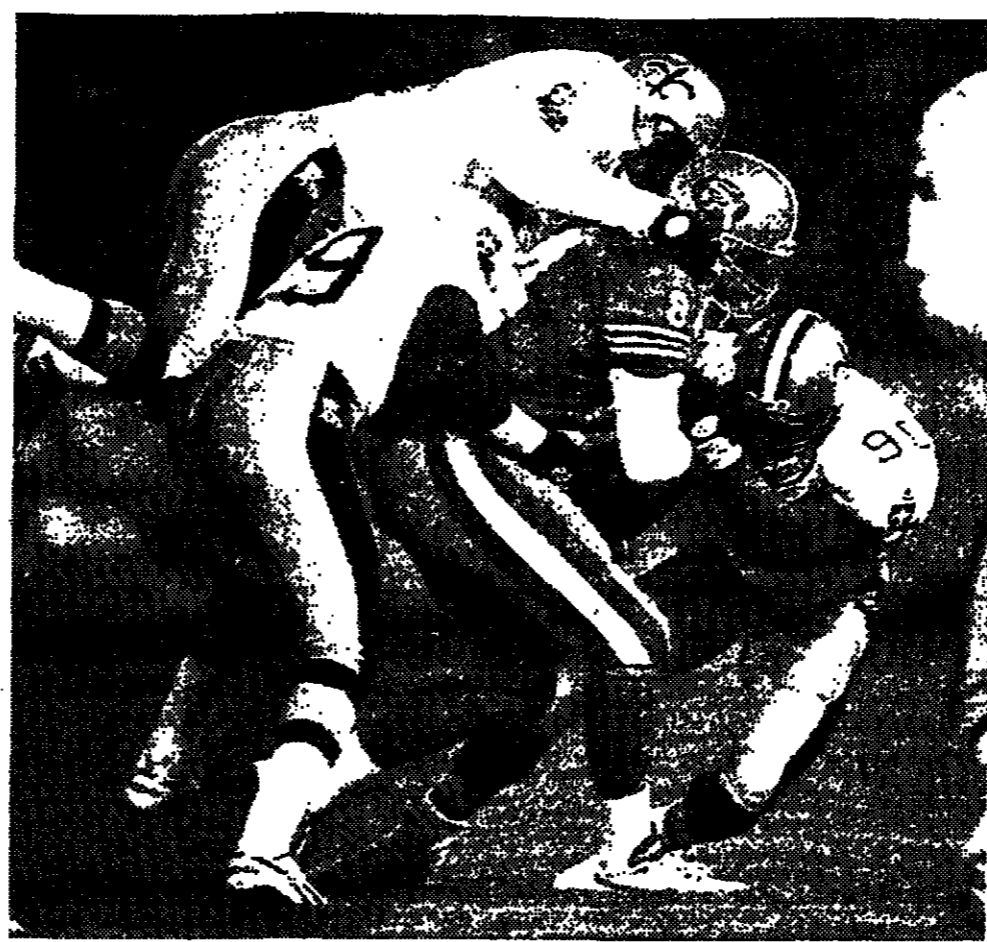
Reservations: Av. R. Benavente 889, Ofc. 206 San Isidro, Lima 27,
LIMA: (51-14) 428090 Fax: 426180 ICA: (51-34) 231091 Fax: 231007

SPORTS

With 42-7 Rout, 49ers Knock Saints Out of NFC West Lead

San Francisco 49ers never gave Morten Andersen a chance. They raced to a 28-0 lead, ignited by Merton Hanks' 67-yard interception return for a touchdown, and emerged with a 42-7 National Football League victory Monday night over the New Orleans Saints.

one touching him and started wrestling his way down the field until he crossed the goal line for the first defensive touchdown of his three-year career. Tom McDonald stopped Wilson's best drive of the night, intercepting at the goal line after the Saints had driven to the 12-yard line. Then it was Hanks again, intercepting Wilson a second time and giving San Francisco possession at the New Orleans 20. Young completed 14 of 21 for 205 yards to run his streak to 172 passes without an interception, a club record.



Saints' defenders mobbed San Francisco's Brent Jones, but the 49ers still swamped New Orleans.

Taylor Resigns As England's Soccer Coach

LONDON — Graham Taylor on Tuesday gave English soccer what he demanded — his managerial head — and opened the way for a revolution in the game's national hierarchy. Taylor's three-and-a-half year reign ended at noon when he faced Football Association officials and resigned, six days after the English team was eliminated from the 1994 World Cup competition.

Will the Bulldog's Fall Give Rise to a New Breed of English Soccer?

LONDON — After the fall of England from World Cup contention comes the battle for the soul of its next generation of soccer players. Graham Taylor's resignation as team manager was accepted on Tuesday. It was as inevitable as hunger following famine. A manager is responsible for results, England had failed to reach the 24-nation World Cup in the United States in 1994, and Taylor's departure was automatic.

He perhaps foolishly encouraged during what he anticipated would be the glory of qualification. Taylor was a man of modest playing ability, a tenacious defender. At club level, he rose above his own background to direct players better than he in skill, willing to be led by his bulldog spirit and disciplined organization.

Beardsley and Gary Lincker — on the basis of their age rather than their usefulness to the team. He has been deeply hurt by failure. He has sat before us defiant as the quarry before the press hounds. He has poured out his heart, groped for the elusive clues. But he refused to say two things: That England's structure, which puts clubs before country, ties the hands of any national manager. And that the coaching syllabus of his own employer, the English Football Association, was geared toward a coarse and primitive style of play that legislates against individual talent.

Taylor who is accused and pilloried. He says he can stand it. But Taylor hurts badly. He talked before last week's final qualifier of his "dream" to take England to America. The dream required that England beat San Marino by seven goals in Bologna, and that the Dutch lose in Poland. In 8.3 seconds that dream was destroyed. San Marino attacked from the kickoff, and England led to the quickest goal in history. A San Marinese civil servant passed the ball from the center circle. A tradesman pushed it toward England's penalty area. And a computer clerk, Davide Guaitieri, 22, scored only the second goal a San Marino team has ever netted.

Bergkamp, a player of true international quality, technique and worldliness, scored twice in Poznan and the Dutch comfortably beat the Poles. In London on Monday, Charles Hughes, the F.A. director of coaching and education, stabbed Taylor in the back. Hughes stated that Taylor's indecisiveness in selection and method compounded a lack of technique in the English players. True, but Hughes, the pompous man who has sold books and videos around the world and tells of playing in Rostock to Rio that their way of playing is wrong, had no right to speak before Taylor's resignation.

SIDELINES

2d German Swimmer Fails Dope Test

BONN (Reuters) — A second German swimmer in two days has failed a dope test and faces a possible two-year ban from the sport, a German swimming association official said Tuesday.

Australia Names Davis Cup Team

LONDON (Reuters) — Richard Fromberg, as expected, has won a place in Australia's team for next week's Davis Cup final in preference to Jason Stoltenberg, the event's organizers, the International Tennis Federation, said Tuesday.

U.S. Says 4 Cubans Seek Asylum

SAN JUAN, Puerto Rico (AP) — A U.S. immigration official confirmed Tuesday that four Cuban athletes taking part in the Central American and Caribbean Games here have sought political asylum in the United States.

For the Record

Julio Cesar Chavez, Terry Norris and Michael Nunn will defend world boxing titles on Dec. 18 in Pueblo, Mexico. The tripleheader came about because of a change in the date of Chavez's defense against Andy Bullman, a spokesman for promoter Don King said Monday.

ESCORTS & GUIDES

Advertisement for International Classifieds, listing services for escorts and guides in various locations like London, Paris, and New York. Includes contact information for agencies like Aristocats and Chic of Mayfair.

SCOREBOARD

HOCCY NHL Standings

Table showing NHL Standings for Eastern Conference (Atlantic Division) and Western Conference (Central Division).

FOOTBALL NFL Standings

Table showing NFL Standings for Eastern Conference (East) and Western Conference (West).

BASKETBALL NBA Standings

Table showing NBA Standings for Eastern Conference (Atlantic Division) and Western Conference (Northwest Division).

TRANSACTIONS

BASEBALL: BALTIMORE—Arrived to terms with Sid Fernandez, pitcher, on 3-year contract. ... TEXAS—Agreed to terms with Will Clark, 1st baseman, on 3-year contract.

INTERNATIONAL CLASSIFIED

Advertisement for International Classifieds, listing various services and contact information for agencies in London, Paris, and New York.

THURSDAY 9

Advertisement for Latin America: A New Investment Partner London, featuring a table of investment opportunities and contact information.

MARK YOUR AGENDA NOW!

Advertisement for the fifth biennial Latin American conference, including contact information and details about the event.

OBSERVER

The Grocery Bloc

By Russell Baker

NEW YORK — When history honors the role played by victu-... The evidence, however, suggests they were less interested in doing what was right for the republic than in doing what was right for business...

colleagues in organized labor, who feared free trade would finish them off. Not so, as it turned out. Beef and wheat were merely waiting for Clinton to assure them that if they would just vote for free trade he would help them avoid having to compete with other nations' freely traded wheat and beef.

Having been told for years by demographers and political analysts that the American farmer is as gone as the horse collar, I was astonished to learn from this event that it ain't so. The tomato farmer and the cucumber grower not only live, they also have power to make Congressmen force the president to excuse them from enjoying the blessings of free trade.

Organized labor's disagreement is based on its rust-belt experience with industries that go abroad for cheap labor, leaving ruin and unemployment behind. Clinton's prediction that North American free trade will invigorate the economy is the only reason he has given labor to love him.

50th Birthday Parties for Jim Morrison

They've just picked me to play the Prince of Denmark Poor Ophelia

By Mike Zwerin

PARIS — There are those who believe that Jim Morrison, the rock star, staged his own death to escape the cage of stardom. Dying at the same age, 27, as Brian Jones, Jim Hendrix and Janis Joplin is somehow too conveniently dramatic to be true. Morrison, the poet and filmmaker, will be 50 on Dec. 8. It is fitting that the celebration is in Paris, where he came for solace and died. Anyway, everywhere, dead or alive, he is wanted.

It is estimated that more than 100,000 people a year visit his grave in Père-Lachaise Cemetery. "Wilderness," a collection of his poems, has been reprinted nine times. Wallace Fowlie, a critic, translator and professor of literature at Duke University, has written a book entitled "Rimbaud and Jim Morrison: The Rebel as Poet," slated for spring publication by Duke University Press.

Frank Lisciandro's photobook "Jim Morrison: An Hour for Magic" (Piccus, London), including poems, essays and 150 photographs, has been revised and reissued for the occasion. He calls it a "let me tell you about a friend of mine sort of book." Black-and-white prints will be exhibited next month (along with photographs of Morrison's grave by Michelle Campbell) at the FNAC book and record shop in Montparnasse, and color photos at FNAC on the Boulevard des Filles.



Some of the many faces of Morrison captured by Frank Lisciandro in his book "Jim Morrison: An Hour for Magic."

Morrison's poems at the Centre Georges Pompidou at 6 P.M. on Dec. 8. Lisciandro describes Morrison with great care and affection: "He decided not to be possessed by possessions. He did not own a car or a house. The only clothes he owned were on his back. I went shopping with him occasionally and he would take them off, leave them in the shop and walk out with a whole new set of clothes."

With creative accounting the money was slow to arrive during his lifetime. He was going to the studio, on tour, to rehearsals and press conferences; doing what record companies, managers and the other musicians wanted him to do. He came to consider himself a prisoner. It was said in the press that his looks were deteriorating — fans did not approve of the beard he grew (to be able to walk down the street unobserved) and the weight he put on.

And you are not on a power trip, what are the advantages of stardom? He came to Paris because he considered himself a writer and there's a tradition of American writers in Paris. He sent a letter to his accountant asking how long he could live in Paris on the money that he had: "Famela [his wife] and I would like to stay indefinitely." The letter arrived on July 2, 1971, the day before he died.

PEOPLE

Pierre Bergé Group Takes On Benetton Ads

An AIDS charity headed by Pierre Bergé, the head of the Yves Saint Laurent fashion empire, is urging a boycott of Benetton products in the latest outcry against a Benetton advertising campaign. The campaign, using photographs of tattoos that say "HIV Positive," has already inspired lawsuits by French, Italian and British governmental groups. The protest ad from Arcat Sida, a French non-profit organization with many members who work at fashion companies, features a photograph of a condom stuffed full of currencies from various countries, and the tag line "United boycott."

You have a one-in-four chance of catching Chelsea Clinton in the Washington Ballet's "Nutcracker." Chelsea, a student at the Washington School of Ballet, is one of four playing the Favorite Aunt in 18 performances. The school maintains that the president's daughter is being treated like the other dancers, so there's no way to find out what night she's on.

William Kennedy Smith pleaded no contest to accusations he punched a bouncer outside a Washington-area bar and has agreed to provide 100 hours of medical care at a community clinic in Chicago. Zsa Zsa Gabor donated 100 Thanksgiving turkeys to a women's homeless shelter she became associated with while serving a 120-hour community service sentence for slapping a Beverly Hills police officer in 1990.

Ginger Rogers returned to the Criterion Theatre, in Midford, Oregon, a stage she first graced in 1926, when she was a 14-year-old member of a vaudeville troupe. Rogers appeared at a fund-raiser by a group that wants to raise \$2.9 million to turn the 69-year-old theater into a performing arts center. Rogers was serenaded by a male chorus and took questions from the invitation-only audience.

A Doors "tribute band" called The Soft Parade will play a birthday concert at La Cigale on Dec. 8: "The lead singer studied Morrison for two years before he sang a note," Lisciandro said. "They're an exact replica, it's scary."

INTERNATIONAL CLASSIFIED Appears on Pages 16 & 17

WEATHER

Table with weather data for Europe, including High/Low temperatures and precipitation for various countries like France, Germany, and the UK.

Forecast for Thursday through Saturday, as provided by Accu-Weather. Includes a map of Europe and text describing weather patterns across the continent.

Table with weather data for Asia, including High/Low temperatures and precipitation for countries like Japan, Korea, and India.

Table with weather data for Africa, including High/Low temperatures and precipitation for countries like South Africa, Egypt, and Morocco.

Table with weather data for Latin America, including High/Low temperatures and precipitation for countries like Brazil, Mexico, and Colombia.

Table with weather data for Oceania, including High/Low temperatures and precipitation for Australia and New Zealand.

CROSSWORD

ACROSS 1 Charlie's Angels' actress 5 Jimmie's 10 One who follows orders? 14 The cheaper spread 15 Campus clubs, for short 16 He jumps through hoops 17 New York cultural site 20 Squimlike monkey

DOWN 1 Rich soil 2 Tenor Luigi 3 Bucks, e.g. 4 Coed quarters 5 Press type 6 Jimmie's

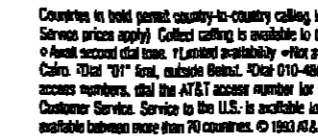
Crossword puzzle grid with clues and a solution to a puzzle from Nov. 23.

"I wonder if the little guy had fun today?"



Sharing the day's events with loved ones back in the States has never been easier. Whenever you're away, simply dial the AT&T access number of the country you're calling from and an English-speaking AT&T Operator or voice prompt will put you through in seconds.

AT&T Access Numbers table listing international calling numbers for various countries like Andorra, Armenia, Austria, etc.



Handwritten signature or text at the bottom of the page.